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Engineer in Insurance

St. Clair McEvenue, newly elected president of the Canada Life Assurance Co., is a mining engineer who found his destiny in the life insurance business. Graduating from McGill University in 1913, he soon changed. After extensive experience in life insurance underwriting and management, he joined Canada's oldest life insurance company as western supervisor in 1927. In 1929 he became assistant superintendent. In 1938 he was made general manager and a few months ago vice-president. A football star at McGill, he later coached the Toronto Argonauts to win the Dominion championship, after World War I. During it, he served overseas as a captain with a Montreal battalion and later with the Royal Flying Corps.

THE NATION'S BUSINESS

Tax Dictatorship Must Be Ended

It appears that Ottawa plans to throw away, on a tax case appeal to the Privy Council, a sizeable amount of money painfully supplied by much-taxed Canadians.

The point at issue may be of some technical interest to lawyers. But the truth is that Ottawa would take this to the Privy Council only to defend an administrative principle which is thoroughly unsound and which has been universally condemned by every Canadian who has had anything to do with it.

Here briefly are the facts: Readers of The Financial Post will remember the recent ruling of the Supreme Court in the tax case of Wright Canadian Ropes Ltd.

The company had an arrangement under which it was to pay to a British firm 5% commission on all wire rope it produced. These commissions ran from $17,000 to $39,000 a year. Income tax officials said that the commission was too much; that $7,500 would be adequate; that $7,500 was all that would be allowed as a business expense.

The company appealed the decision. But what, in our weird tax setup, does that mean? It means, in effect, that the man who made the tax ruling in the first place, sits in judgment on this appeal; he is, in effect, asked to sustain or reverse his own earlier decision. That sort of "appeal" would seem to have doubtful value. Not surprisingly, the first decision was sustained.

On appeal to the Exchequer Court, the original decision was again sustained. Fortunately for the rest of Canadians, Wright Canadian had the pluck to risk more money and bother.

The Supreme Court upheld the company's claim; reversed the decision of the Exchequer Court, and of the income tax officials. "Purely arbitrary" was the comment of one Supreme Court judge on the ruling of the income tax administration. Another said "the disallowance could only have been based on unreasonableness."

Aside from salving the probably hurt feelings of the income tax officials at the spanking they got from the Supreme Court, the only conceivable reason Ottawa could have for taking this case to the Privy Council would be to protect and fortify the now immense discretionary power of tax officials.

Cut Discretionary Powers

An appeal to the Privy Council on this matter will be interpreted by laymen at least as an official attempt to maintain the right of the income tax administration to supreme dictatorship over all business and over all Canadians; to protect the taxman's privilege of rulings like these: "You are paying too much rent. I'll let you charge up only half the amount as a business cost"; You pay too high salaries; I'll admit only 60% of the figure you show"; and so on.

It may be that there are good grounds for appeal of the Supreme Court decision purely on the point of law. But the really important matter at stake is not legal, but political and moral.

Is it to be tolerated in a democratic society that the judgment of a tax official shall, according to his good or bad humor, be in a position to upset contractual arrangements; to substitute his judgment of fair price for the judgment of the two parties (giver and taker) to any business agreement?

Of course it isn't. That situation is intolerable.

Getting rid of this dangerous tax dictatorship is what Ottawa should be doing, not trying to maintain it by spending public funds on a Privy Council appeal.

A Real Step Forward

Ontario budget proposals this week should go far toward ending the injustices and confusion that have accompanied the administering of succession duties in that province, toward creating a more favorable climate for job-creating enterprise.

Agreements with Quebec and Nova Scotia to prevent multiple taxation on the same property are to be extended to all provinces.

The notorious 20- and 30-year period during which any gifts of the deceased are subject to tax is to be shortened to five years. It was this clause which permitted the Hepburn government to conduct its outrageous raid on long-settled estates a few years ago.

The arbitrary and non-reviewable decision of the Provincial Treasurer to fix the value of unlisted securities is to be repealed. Continuance of the present regulations seriously threatened the existence of all private and family type companies, the estate value of which was left entirely at the mercy of a government official.

It has been obvious for some time that Premier Drew's government has been trying to ameliorate these long-standing iniquities. In the last days of 1944, a succession duty agreement between Quebec and Ontario made an important forward step on eliminating double taxation. Announcing that agreement, Mr. Drew declared:

> "The double imposition of succession duties has discouraged foreign investment which is so important to us now. The agreement will encourage United States investors to invest their money in productive enterprises in the two older provinces. It also encourages freedom of investment between the provinces themselves."

That was true of the limited agreement reached a little over a year ago and it will be equally true of the broadened agreement now planned to embrace all Canada.

In this drastic and overdue revision of succession duties, Premier Drew and his provincial treasurer, Hon. Leslie M. Frost, have recognized the vital fact that a favorable environment is essential if enterprise is to flourish.

Additions To Loblaw Chain Seen

Renovation of Existing Premises Is Also Planned in $2.5 Millions Program Outlined

Extensive expansion plans evolved during the war years will call for an expenditure of upward of $2.5 millions by Loblaw Groceterias Ltd., according to Justin M. Cork, general manager. The program calls for many new stores in Toronto and throughout Ontario. In addition to the new stores a large number of the chain's 113 units will be altered in the light of recent merchandising research.

The new stores, with from 5 to 10 thousand square feet of floor space, will have a wide frontage and their fronts will vary with the materials available. The floors will be of hardwood, terrazzo or composition tiles, while large terra cotta tiles will be used on interior walls. New merchandising and lighting fixtures will be introduced.

Considerable emphasis is also being placed on the company's policy of training younger men and women.

Loblaw sales last year of $46 millions were twice the total reached in 1939 and company officials state that this year's sales are running considerably ahead of 1945 figures.

Ontario Moves to Ease Death Duty Regulations

Substantial easing of succession duty regulations on Ontario estates is forecast in the provincial budget this week. The main burden of double succession duties levied by both the Dominion and the province still remains, but proposed amendments will remove considerable hardship and several sources of irritation.

1. The clause in the Succession Duties Act prohibiting appeal by an estate from the valuation of the Provincial Treasurer on unlisted securities will be repealed. This has been a source of much hardship in the past. An actual case of what did happen is that of Mr. "A," one of the chief owners of the "A" Company which had three types of shares, preferred stock, Class I, and Class II. Class II shares had voting power, Class I did not. The preferred and Class I shares were listed on a Canadian exchange at time of death and the Class I shares quoted at $7. The Class II shares were largely held by the management and, as they were unlisted, the Ontario authorities valued them at $27 a share, based on the break-up value according to the balance sheet. In determining value for succession duties the provincial authorities did not have to consider depreciation of plant or equipment and it was felt the value set for succession duties was considerably higher than could be obtained if shares were sold. The amendment to the Act enables the estate to appeal a seemingly unfair valuation. But to ensure that the Government will not be the loser when stock market values are unduly depressed the amendment permits the provincial treasurer to get the courts to value listed shares independently of the stock exchanges, if he thinks desirable.

2. Life insurance where the insured died domiciled outside Ontario, will be legally exempted from succession duties. While Ontario has not pressed claims for duty on insurance policies issued from Ontario head offices on policyholders domiciled outside the province, estates could not always feel secure. Possibility of Ontario taxing any such policies will now be definitely ended.

3. The period in which gifts made in a person's lifetime may be subject to succession duties will be reduced to five years. Previously gifts made to close relatives other than a wife within 20 years were taxable, on gifts to a wife or a stranger the time was 30 years. This often caused endless hardship as the authorities could go back so far. In

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Mass Building Plan Revived

Mass on-site house building, such as H. J. Bird is undertaking in Winnipeg, may come into its own across Canada under a resurrected NHA Integrated Housing Plan. Details of supply and pricing are being worked out at Cabinet level, and by David Mansur, president of the new Central Mortgage & Housing Corp. and chairman of the interdepartment housing co-ordination committee. The Bird Construction Co. project is separate from the Integrated Housing Plan but is NHA-financed.

Ottawa's Integrated Housing Plan is expected to bring together smaller-scale builders, organize them in groups capable of large-scale operation, assure such groups continuous and adequate supplies of scarce materials, and fix prices and profits at a low level.

One such project is being organized this month by Canadian Legion's Toronto district command, William Beech, Jr., Toronto Asphalt Roofing Co., housing committee chairman. Beech is inviting eight to a dozen builders to join in construction of several hundred minimum-cost houses on small Toronto suburban tracts yet to be purchased.

'Orderly Retreat' Forecast From Fixed Price Ceilings

Steel, Farm Implements, Milk Expected to Go Up in Major Ceiling and Subsidy Overhaul — Rents and Installment Buying to Stay Frozen

By KENNETH R. WILSON

OTTAWA—(Staff)—The Government will shortly be advised that it must now face "an orderly retreat" from the present level of ceiling prices.

Here's what is looked for:

1. A boost in steel prices, followed by creeping advances in consumer durable goods.
2. Higher ceilings for farm implements.
3. Possible elimination of the consumer milk subsidy, followed by a one-point rise in the cost-of-living index.
4. No retreat on rent control or installment buying curbs.

Full extent of the "retreat" has not yet been determined. It will depend on timing and the government policy on subsidies. Every attempt will be made to maintain "order in the traffic" as Canadian prices are adjusted.

One important upward step due within the next two or three weeks is an increase in steel prices. It is hoped to avoid an entanglement over anticipated new wage demands. At present, authorized wage increases cannot, theoretically, be used as a lever to boost price ceilings. What WPTB officials hope to do is to work out a new schedule of steel prices independently of anticipated future wage demands. Such a schedule would be based on prior or existing increases in costs.

At the same time every effort will be made to devise a schedule which will hold up alongside any reasonable future wage adjustments that may be made. If this can be achieved it will avoid a further overhauling of steel prices later on.

This is what has, it is hoped, been done in the automobile price field. Here, the Prices Board worked out new adjusted prices last year. It is expected that the price line then worked out can be held.

Farm implement prices are being treated as a special case. Here an over-all price rise is regarded as inevitable and has been under discussion for some time. This increase is one of the few in the steel field which would bear directly on a consumer group. Most steel prices will have no immediate or disastrous effect on the cost-of-living index. This is because a basic price increase takes several months to work its way through to final product and scores of consumer products will be affected only in slight degree.

What will happen in consumer goods, such as refrigerators, etc., will depend in large measure on volume of production. Here each case will be "treated on its merits."

Subsidy Policy is Key

Greatest importance attaches to ultimate government policy in respect of subsidies.

Present subsidy commitments of the WPTB would cost taxpayers about $90 millions in the present calendar year (1946). Of this, $21 millions represents the consumer milk subsidy. This over-all figure could change very quickly were the Government to decide on an immediate or drastic withdrawal of subsidies.

WPTB has repeatedly urged the Government to abandon the milk subsidy. This would make an immediate increase of about one full point in the cost-of-living index. But it would put producers on a more solid basis and relieve WPTB administrators of one of their worst administrative headaches. This subsidy is now paid to close to 20,000 individual producers.

Present WPTB policy is to resist strenuously any increase in subsidy payments. Where costs have risen, the basic argument now is to

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Demand Jumps For New Tires

With milder weather a marked increase in the demand for new passenger car tires has been noticed within the past week or so, dealers and distributors tell The Financial Post.

Nearly all tire sizes are available except some odd sizes although this varies between dealers so that it might be necessary to "shop around" to get a particular size. Inventories; while showing some improvement since the first of the year, are still reported not up to normal and likely to show a declining trend now. Dealers handling brands of manufacturers who make tires for new cars have been in an easier position due to the strikes in the automobile industry.

A shortage of new tires is foreseen around May or June as replacement demand is expected to increase with the better weather and as the tire demand for new cars increases. Normally the big buying season for tires is said to be from May to September. With plants working at capacity, manufacturers see little chance of stocking up to meet expected heavier demands.

Canada, U.K. Plan Income, Estates Tax Reciprocity

OTTAWA (Staff) — Tax negotiations with United Kingdom looking toward reciprocal income tax and succession duty legislation will be concluded within a few weeks.

C. Fraser Elliott, who returned from Britain a few days ago, reports "very excellent progress." He was accompanied by Dr. Kenneth Eaton of the Department of Finance and officials from his own department.

The new agreement, substantially similar to that worked out last year between Canada and the United States, will be submitted to Parliament in each country for approval.

Mr. Fraser Elliott is also understood to have made a number of other arrangements with the U. K., beneficial to Canadian taxpayers who have a stake in both countries.

Inside News

Critical Days Ahead in the Canadian labor field, observers believe. Steel, motor car, electrical and mine workers are pressing for wage increases, the majority for a 40-hour week also. The threatened U. S. coal strike may prove as serious a blow to industry in this country, as did the recent steel tie-up. Labor Round-up. (p.7)

Co-operative Farming offers possibilities, but faces many dangers, a committee of experts has reported to the CCF Government in Saskatchewan. Six co-operative farms are now in operation in that province; another is planned north of Swift Current, for 20 veterans. (p.8)

Provinces Take Inventory of their balance sheets, as budgets are presented to the legislatures (all nine now in session). Few new taxes are forecast, in spite of high (sometimes record) postwar expenditures. The Provincial Round-up. (p.3)

Ban Luxury Building and give more effective priority to housing and industrial projects, is the demand being made on Ottawa from many quarters today. Federal authorities, thus challenged, may soon reverse their year-end decision on construction project decontrol. Construction Trends. (p.24)

Is Square Deal being given Canada's visitors? Should Governments or trade groups exercise more supervision over food, accommodation and entertainment provided for tourists? Publicity and travel experts and others voice their views on the question. (p.16)

Unity of Empire is stronger today even than during the war. The United Kingdom deeply appreciates Canada's material and moral aid. Field Marshal Viscount Alexander is preparing to take up his duties as Governor-General of Canada, London Calling, by Adelphi. (p12)

Tricycle Truck capable of 30 miles an hour, 60 miles to the gallon of gasoline, is expected on the Canadian market soon. Pressure cookers will soon be available in a variety of makes, shapes and sizes. Remote controls, designed for wartime use in English air and naval craft, are now being extended to farm machinery. What's New in Business. (p.7)

Expect More Wheat will be sown in western Canada, in response to Prime Minister King's appeal for increased exports. Income tax concessions to prairie growers, will probably speed deliveries of last year's grain, unless an early season keeps farmers busy on the land. (p.8)

Canadian-Built Power Plants to Help in China

The first of 20 Canadian-built steam electric power plants will be shipped to China in the next few days, to help rebuild that nation's industry, The Financial Post is informed. Designed and constructed by Foster Wheeler Ltd., the semi-mobile plants are being despatched to New York by rail, where they will be turned over to UNRRA. From New York they will go via the Panama Canal to China.

The power units have a capacity of 500 kilowatts of electrical energy, the 50-cycle current being generated by steam turbines. Each unit weighs 100 tons and requires five flat cars for shipment.

They were originally designed for use in Europe, where they were intended to replace power facilities which, it was expected, would be shattered in the path of the allied invasion. When the war ended, there was no further need for the equipment and a number were still in various stages of completion in Canada. UNRRA tested them and found them ideal for the purpose to which they are now being put.

Foster Wheeler conceived and designed the steam-electric plants and produced the boiler and condenser units. Turbo generator sets were made by John Inglis Co. and English Electric Co., St. Catharines. Switch gear was manufactured by Canadian General Electric Co., Peterborough and the feed water treating plant by John Inglis.

It is expected that delivery of the 20 power plants will be made at the rate of one unit per week. On arrival in China the units will be taken to areas where manufacture of materials to rebuild the country is planned and will be set up on concrete foundations. The units burn coal and generate electricity.

Citroen Seeks Sorel Plant? Has Not Approached Owners

MONTREAL (Staff) — Edouard Simard, vice-president of Sorel Industries Ltd., told The Financial Post there have been no direct negotiations between officials of the Simard industrial group and representatives of the Citroen automobile-manufacturing company of France. Recent newspaper reports have spoken of negotiations with a view to the French company's taking over the Sorel plant.

Mr. Simard, one of the group which controls Sorel Industries Ltd., Marine Industries Ltd. and Engineering Products of Can. Ltd., said no definite plans have been made for the future of Sorel Industries. Biggest present drawback is the uncertain future of Canadian and U. S. tariff regulations, he stated.

It is suggested in some quarters here that any negotiations have been between Citroen and Canadian government representatives in France and have not yet reached the stage where private interests here have been brought in. Citroen is the second automobile company which has been reported interested in the Sorel plant. Kaiser-Fraser Co. representatives had previously looked over Quebec industrial sites, but, it is now understood, decided not to locate in this province.

Clearer Will Is Advised When 'Strings' Attached

Those who cannot be restrained from ruling family life from the grave, should at least make clearer wills, is the lesson coming once again from the courts; this time from the Ontario Court of Appeal. The judgment upholds a stipulation in a will, which would penalize a beneficiary should he "refuse to rejoin and practice the Catholic faith."

A mother provided that if her son did not comply with such a stipulation, within six months after her death, he should inherit only $500 under her will. If he complied, his inheritance would be $2,500.

As the six months expired in February, the court's advice was asked, in effect: What is meant by "refuse?" is an active refusal necessary?

At the first hearing the words "refuse" and "practice" were considered uncertain and the "cutting down" clause was held ineffective. The Court of Appeal judgment indicates that the word "refuse" should be read as "omit," and that "if at any time within the prescribed period the son should 're-join' and 'practice,' the condition would be fulfilled."

In holding "the condition valid and effectual," the Appeal Court distinguished the case from other judgments on somewhat similar conditions. Some of these other cases were:

1. ". .. should at all times conform to and be members of the established Church of England"—held void for uncertainty.

2. ". . . become a Roman Catholic or not be openly or avowedly Protestant"—held void for uncertainty.

3. ". . . should . . . marry any person not of the Jewish faith"—also void.

4. ". . . should . . . marry a person . . . not of Jewish parentage and of the Jewish faith"—the court held the "parentage" proviso void, disagreeing on the "faith" proviso.

Say Mining Union Demands Would Result In Sharply Curtailed Operations for Industry

By GORDON M. GRANT

If granted, the union demands would:

— Increase wages by an amount equivalent to all the dividends paid annually by the entire gold mining industry.

— Force the mining industry to find 16% more skilled miners needed for 40-hour week. Such workers are not now available.

— Throw all ore now yielding a 70-cent a ton profit or less into waste category on basis of Ontario 1945 experience.

— Make cost of opening 60-80 new gold and base metal mines far higher than originally anticipated.

— Boost cost to one of Canada's largest representative gold mines over $1,250,000 a year and reduce earning per share 57%.

One of the bitterest fights in mining history is rapidly shaping up with the International Union of Mine, Mill and Smelters Workers which is now demanding a general 29-cent an hour wage increase in gold and base metal mining across the Dominion.

While no statement has been made for the mining industry as a whole, enough mining executives have been interviewed by The Financial Post to make three things clear:

1. The mining industry can be expected to fight bitterly demands for such a wage increase.

2. Wages paid by mining are already the highest paid for any industrial group in Canada—and are about double wages paid in some of the lower-wage occupations.

3. Mining executives feel that the mines are paying all they can afford to pay in wages already, that gold mines particularly can't afford to pay more as costs of supplies and taxes are higher and no more is being received for gold.

4. The essential and expensive job of rehabilitating Canada's mining industry is just getting well under way and a strike resulting from pressing wage demands now might result in a severe curtailment of ability to provide a high level of postwar employment in mining.

"Any increase in costs means less ore . . . and less jobs," is the way one mining industry executive expressed himself. He pointed out that "marginal" ores which can be mined at a small profit under present wage and cost levels would have to be left in the ground if wage increases went into effect.

The fight of the mining industry against union demands will be particularly strong for two reasons, it is stressed:

(a) The union has announced its intention of not submitting its demands to the National War Labor Board and mining industry feels that any such wage demand will lack legality; and

(b) There are reasons for believing that the mining industry as a whole will be in as good if not a better position than the union to fight a widespread strike, if the union forces the issue.

According to the January Labor Gazette, weekly wages in metal mining work out at $39.86 (as of Oct. 1, 1945), the highest weekly wage for the many occupations listed. This compares with average weekly wages of $32.32 in for instance the rubber industry, $21.26 in textile manufacturing and $23.41 in highway construction. Hours of work per week at 46.3 were well below the 48 level required; there is little or no overtime in mining.

According to a recent survey made of Ontario mines, the value of "extras" provided the miner—contributions to pension fund, medical health plans, contribution to savings fund paid by the mining company—work out at an average of over $200 per worker or approximately an extra $4 a week, bringing the weekly wage to nearly $44.

Mining wages are particularly high in Ontario and company executives feel that any suggestion of a 29-cent an hour increase for Ontario would be "sheer nonsense." Most hard-rock miners in Ontario average about $7 a day.

During the war years, base metal mines produced at the relatively low metal prices existing pre-war and save for lead and zinc, there has been no great price improvement since. The situation in respect to nickel supply is such that the leading company with its large inventories, accumulated in order that further men would not have to be laid off, might be able to meet demand for nickel through

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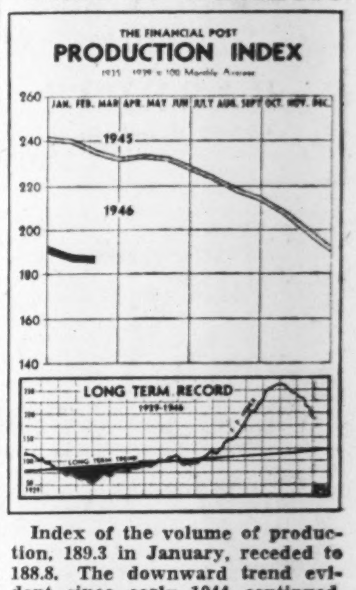
Imperial Tobacco Plans Expansion

MONTREAL (Staff)—Imperial Tobacco Co. not only is planning a refunding debenture issue, but also will issue $5 millions of new debentures to provide funds for new construction and modernization of plants, Earl Spafford, president, revealed at the company's annual meeting.

Anticipating a substantial increase in the production of flue-cured leaf tobacco, Mr. Spafford stated the company had decided to build a new processing plant at Aylmer, Ont. Despite labor and material supply difficulties, the new plant is now nearly completed and will be ready for operation when the 1946 crop is harvested. Cost of the plant is approximately $1.5 millions.

The company also is embarking on a two-year program of plant modernization. Cost will exceed $1.5 millions.

Pace of Business



Index of the volume of production, 189.3 in January, receded to 188.8. The downward trend evident since early 1944 continued. Increase in output of consumer goods required for the civilian population has not counterbalanced the marked decline in war production. Present standing of operations is somewhat similar to that of early 1942. The mining industry recorded advances. Demand for mineral products continues relatively strong, contingent on needs of reconstruction and replenishment of civilian requirements. Activity in the secondary iron and steel industry rose. Wholesale sales declined after seasonal adjustment; further gains were shown in retail sales.

here's an "all purpose" jacket . . .

Fickle Spring weather presents no problem to men who wear jackets like these. Specially treated to be shower resistant, they're right for every active and 'side line' sport.

Sketched below is the "Spiral Cord Jacket", tailored for action and freedom, and typical of the fine selection of lightweight wind resistant cotton or cotton and rayon gabardines in our Men's Sportswear Sections . . .

EATON'S

Insist 'Emergency' Over Dispute WPTB Validity

One of the most serious challenges to the authority of WPTB and government controls generally, developed this week in a Toronto magistrate's court. Eugene Combaluzier and Ernest Meunier, bakery partners, were charged with acquiring butter from a supplier without surrender of ration documents.

J. H. Amys, defense counsel, contended that wartime controls ended with hostilities and that the Dominion's postwar legislation and orders were "invalid" efforts to control prices.

The accused allegedly admitted monthly purchases of butter over the quota in the last four months of 1945, each nearly three-quarters ton, and were said to have pleaded that larger volume of sales was needed to meet payments on the property.

Says Approach Wrong

Defense counsel contended that the approach to postwar legislation on controls was wrong, in that it was based on a view that an emergency exists in Canada.

"You must still find a threat to the peace, order and good government of Canada, as a whole," he argued, "before you can justify Dominion legislation which conflicts with provincial jurisdiction over property and civil rights."

Before argument was closed, the defense referred to temperance, the last great depression and Hitler's pre-war threat to the world. J. D. Arnup, special prosecutor, brought in World War II, Canada's occupation forces and the starving countries of the world.

Mr. Amys argued that the Privy Council judgment, in January, on the Canada Temperance Act, did not deal with alcohol as a commodity. It establishes, he contended, that the Temperance Act dealt with a nation-wide temperance problem; and that its validity is not based on "emergency." The Privy Council has the same view concerning controls for war, pestilence, drug traffic etc., he submitted.

Sees "Economic Chaos"

Mr. Arnup submitted that the emergency legislation was valid for these reasons: (1) it was made necessary by an emergency arising out of war, (2) in purpose it was temporary, (3) its validity has been recognized consistently; in fact it was the very kind of legislation held justified under the BNA Act.

"If you don't have these controls, there will be economic chaos in Canada," he insisted.

"There was no chaos when tire rationing went off," Mr. Amys retorted, "nor do the Crown's remarks about treaty obligations have any application here. The only evidence is, that no emergency existed."

In adjourning the case until next week, the magistrate indicated he had sufficient material on which to decide the constitutional problem, but would value written arguments concerning the meaning and effect of the evidence.

Orderly Price Retreat

(Continued from page 1)

let them be reflected in higher prices rather than maintain or increase subsidy payments.

Cotton Up Four Cents Per Pound

A major example of this policy is seen in recent Board action to remove all import subsidies on wool and to boost the price of raw cotton by four cents a pound. In the case of cotton this price boost was matched by lowering the raw cotton subsidy by a like amount.

Almost no attention has been paid publicly to this cotton policy, yet it typifies the new approach to price ceiling policy in Canada. Cotton mills were authorized as at March 1 to increase selling prices accordingly. As well, maximum prices of all cotton yarns and fabrics imported after March 1 were increased by amounts corresponding to the increases in Canadian mill prices. Import subsidies were reduced by like amounts.

For taxpayers this lowering of four cents in the cotton subsidy has been in part or entirely offset since that time by a further sharp rise in world cotton prices. But the principle of "orderly retreat" or gradual adjustment of cotton prices in Canada to world levels is the important new development which marks the new line of policy. It will take some months before this change in basic cotton and wool prices is reflected generally in cost-of-living indices. But the "retreat" has begun, nevertheless.

Two areas where there is no present intention of "retreat" are rentals and consumer credit.

WPTB officials are apparently quite unconvinced that a case has yet been proven for giving over-all relief by way of a general upswing in rentals. It is admitted that the small, individual landlord is in many cases suffering from rent-freezing policies. But "professional" landlords have yet to demonstrate (so it is claimed) that net operating returns are "out of line."

Compensating factors, it is claimed, are the continuance of "no vacancies"; the virtual elimination of agency fees; the removal of tenant pressure for repairs, redecoration, painting, etc. As well, most landlords, until recently, have, if they wished, been able to get out of their investment at a price considerably higher than their original stake.

On consumer credit, though individual adjustments have been made, as for example in the case of automobiles, there is no disposition to make any major change in present controls. It is claimed that this is one area where no general pressure for change has as yet developed.

Lumber prices and distribution are also under very close study. It is thought here that one of the worst black market situations in Canada exists presently in this commodity. There will be much stricter enforcement and a considerable overhauling of wartime anomalies in price structure.

It is understood that the Board has abandoned an earlier plan mentioned in last week's Post to withdraw the wholesale price list as a means of giving relief.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

British Food Mission, Ottawa—Sir Andrew Jones, resident head.

Canada Life Assurance Co.—A. N. Mitchell, chairman of board; S. C. McEvenue, president; E. C. Gill, general manager; J. G. Beatty, chief actuary; A. H. Lemmon, treasurer; H. L. Enman, a director.

Canadian National Railways—R. Hayes, sup't, Montreal Terminals and St. Jerome divisions; W. J. Hotrum, sup't, Ottawa Div.; J. R. Carr sup't, Capreol Div.; J. H. Stevenson, terminals sup't, Black Rock Ft. Erie; E. A. Locke, ass't sup't, London Div.

Central Mortgage & Housing Corp.—H. D. Saint Pierre, member of legal division.

Commonwealth International Corp.— D. W. Partridge, President; W. R. G. Holt, H. H. Woodward, vice-presidents; F. T. Collins, a director.

Crown Life Insurance Co.—C. W. Somers, President; H. D. Burns, chairman of board; H. R. Stephenson, vice-president and managing director; G. T. Somers vice-president.

Dow Chemical Co.—Geo. Hemmerick, treasurer and sales manager, Toronto subsidiary.

Employers' Liability Assurance Corp.—James T. Thornton, an assistant manager.

Fairfield, Ellis & Grant, Ltd.—T. A. Grant, President.

Gazette Printing Co. (Montreal)—W. J. C. Sutton, a vice-president

General Trust of Canada—Rene Morin, vice-president and managing director; Honore Parent, general manager.

Independent Order of Foresters — S. Wesley, manager actuarial dep't; E. P. S. Allen, assistant actuary; G. T. Robertson, assistant supreme secretary; G. F. Pipe, manager, conservation dep't.

International Paints Ltd.—F. M. Ross, chairman of board; J. H. Davey, president and managing director; E. J. Trott, a director.

Langmuir Paints — E. J. Farley, general manager.

MacLaren Advertising Co.—E. G. Stephens, accountant executive.

Maple Leaf Gardens, Toronto—Ian S. Johnston, a director.

Mercury Mills, Ltd.—H. B. Housser, a director.

Morgan Trust Co.—Robert Hounam, manager.

New World and Nouveau Monde—F. F. Smith, vice-president.

Ontario Retail Lumber Dealers' Assoc'n—A. S. Boyer, President.

Outboard Marine and Manufacturing Co. of Canada—L. L. Tremblay, vice-president in charge of merchandising; C. B. Neal, secretary-treasurer and assistant to president; H. Wood, vice-president in charge of manufacturing.

Perfex Controls Ltd.—J. K. Luthe, President; C. E. Lewis, E. G. Spall, vice-president.

Rogers Majestic Ltd. (and Rogers Electronic Tubes Ltd.)—F. R. Stone, chief accountant and office manager.

Saskatchewan Government — W. K. Bryden, deputy minister of labor; R. D. Mahara, traffic manager, Saskatchewan Government Transportation Company.

University of Toronto — Brig. Beverley Matthews, a governor.

Woods Manufacturing Co.—H. J. Humphrey, a director.

War Assets Corp.—R. D. L. Kinsman, general auditor.

HOWARD SMITH PAPER MILLS LTD. $8 millions new $2 cumulative preferred shares, par $50, have been sold at par by Wood, Gundy & Co. Proceeds are for redemption of the outstanding 71,703 shares of 6% preferred which have been called for redemption on May 8, 1946 at $110 and accrued dividends.

Look For It Here

Mar. 23, 1946

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Int. Petroleum To Move Offices

The complete physical separation of the International Petroleum Co.'s organization from that of Imperial Oil, Ltd., its parent company, will be apparent within the next couple of months, a company official tells The Financial Post. A building at 434 University Ave., Toronto, has been leased and is now being renovated as International Petroleum's head office. It is expected to be ready for occupancy by early summer.

During the past six months a complete separation of all departments and executive officers has gradually been made. Now J. R. White is the only director common to each company. Actually, all but a few departments such as the geological, purchasing and legal have been completely separate in the past.

Mass Producing Power Boats

MONTREAL (Staff)—Another reconversion job in industry from which Canada stands to benefit is taking place at Canadian Power Boat Co.'s plant here. This plant was originally built to manufacture motor torpedo boats during the war and later turned to making fuselages and flaps for Mosquito bombers. Mass production methods used in plane manufacture are now being utilized to turn out commercial and luxury power boats, with the first expected to be ready this spring, probably in May.

Controlling interest in Canadian Power Boat Co. is held by Hubert Scott-Paine, well-known English boat designer. Chief interest is centred on the company's operations since this is the first time mass production of this type of water craft has been attempted in Canada. Boats, labelled "Sea Beaver" are 24 ft. 6 in. long and are powered by a Chrysler "Ace" engine."

By employing mass production methods the company hopes to meet at least some of the present demand for this type of boat. Up till now power boats have been largely "custom-built" jobs.

1945 Sales at New Peak For St. Regis Paper Co.

Sales of St. Regis Paper Co. reached a new peak in 1945, at $52,500,824—up nearly 9% from last year's $48,388,277. Net income was $2,211,411 after charges and taxes.

Products are sold to a wide cross-section of industry and commerce and their diversification constitutes a measure of protection for sales volume, it is stated. A continued development in all divisions is planned by the company.

TOWNSHIP OF EAST YORK, ONT., $4,177,000 new serial debentures to be dated May 1, 1946, are being offered by the Bank of Nova Scotia, Royal Bank, Fairclough & Co., J. L. Graham & Co., Cochran Murray & Co., Burns Bros. & Denton, McLeod, Young, Weir & Co., Bell Gouinlock & Co., Mills, Spence & Co., Wood Gundy & Co., Dominion Securities Corp. and A. E. Ames & Co. Issue consists of $1,157,000 2¼'s due 1947 to 1954, $914,000 2¾'s due 1955 and 1959 and $2,106,000 3's due 1960 to 1968. The 2¼'s have been sold and the 2¾'s are being offered at 99½ and 3's at par. Proceeds together with other funds are to redeem on May 1, 1946, the $4,177,020 outstanding 2¾%-3¾ debentures due 1947 to 1968.

QUEBEC POWER CO. $11,855,000 refunding 3% first mortgage and collateral trust bonds, to be dated Mar. 1, 1946 and due Sept. 1, 1962, are being offered at $101⅜ and accrued interest to yield about 2.89% by a syndicate headed by Dominion Securities Corp. Proceeds, with other funds, are for redemption about Apr. 29, 1946 of $11,855,000 Series "C" 4% bonds due 1962 at $102¼ and accrued interest.

Ontario Eases Death Duties

(Continued from page 1)

most of the other provinces the period varies from two to 10 years. In none as long as in Ontario.

4. The law affecting cases where an estate-owner has willed that the succession duties be paid out of the estate and not by the individual beneficiaries, will be clarified. In the past the Government claimed that this duty if paid by the estate to an additional bequest and was itself in turn subject to duty . . . which, if paid in turn out of the estate was again to be treated as part of an additional bequest, the process sometimes being repeated seven or eight times. This will now be clarified.

5. Ontario will now make allowance for any succession duties charged by other provinces or countries on assets also taxed in Ontario.

A possible case would be of an Ontario resident owning shares in, say a Manitoba company, the shares being transferable only in Manitoba. In that case Manitoba would probably charge succession duties. But under the new amendment Ontario will credit the estate with the duty paid there, thereby avoiding double provincial taxation. Ontario already has reciprocal agreements of this kind with Quebec and Nova Scotia and now proposes to extend the arrangement to other provinces, whether there is an agreement or not. The proposed amendments do not consider the succession duties levied by the Dominion.

While the total monetary saving by the amendments may be moderate, they will undoubtedly remove features of the Act which have caused many a headache to estate managers in the past.

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BANK OF MONTREAL

Demands Would Cut Output

(Continued from page 1)

quite a long strike—if a strike should be forced.

If the 40,000 workers claimed involved across Canada were conceded the proposed demand for 29 cents an hour, cost would be $24 millions or approximately the entire amount the gold mining industry has been able to return on its investment in recent years.

R. H. Carlin, Canadian director of the International Union of Mine Mill and Smelter Workers, left no doubt but what the union intends to press its demands in conversation with The Financial Post this week. He said that it had not been decided whether to press all claims at once, as union contracts expire, or whether claims would be pressed in one quarter at a time.

According to Mr. Carlin the CIO—International Union is bargaining agent for by far the majority of Canadian gold and base metal nonferrous miners. Written union contracts are reported held with such companies as International Nickel Co., Consolidated Mining & Smelting Co., Noranda Mines, Falconbridge Nickel, Waite Amulet Mines, all the Porcupine gold mines except Dome, and most of the Kirkland Lake producers.

Written contracts are reported held with many of the Quebec gold producers such as Golden Manitou, O'Brien, East Malartic. The union is claimed to be the recognized bargaining agent at many other mines where written contracts are not held. In British Coumbia Mr. Carlin states that Bralorne, Pioneer and most of the other operators come under his union.

Chief areas not immediately affected are Hudson Bay Mining & Smelting Co. in Manitoba, and Ontario's gold producing camps of Red Lake, Little Long Lac and Pickle Lake where little organization of miners is reported.

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Provinces Budget for Reconstruction CCF Splits on Mortgage Co. Rights

This week was inventory week for most of the provinces, as premiers or provincial treasurers (some doubling in the two roles) presented budgets for the fiscal year ending March 1. New highs in revenues and expenditures were in prospect for the first full reconstruction year. Optimism was strong, new taxes few; but several complaints were heard, that uncertainty as to outcome of Dominion-provincial negotiations (to resume late in April) handicapped accurate budgeting.

In Prince Edward Island

The Island province, one of few in Canada whose population is dwindling, demands federal aid on a basis of fiscal need, instead of the proposed per capita basis, Premier J. Walter Jones disclosed, declaring that average income here is only one third of the Dominion average. He rejected opposition requests for information as to actual discussions at the Dominion-provincial conference, insisting these were confidential.

Pre-marital health examinations are required under a bill passed during the week. Estimates forecast a total deficit of $846,000 on ordinary and capital account, at March 31, 1947—roughly unchanged since a year ago, and indicating that the province has been living within its income in the interim.

Legislators protested a ban on export of table-stock potatoes to Newfoundland, one of the Island's best markets; also complained of refrigerator car shortage, due to a freight tie-up on the mainland. Some 250 loaded cars, awaiting transportation to the Island, are reported held up by ice conditions in the Strait.

A rural electrification program aimed to service the entire Island submitted to the government by a Halifax engineering firm, contemplates $3 millions capital expenditure, and annual operating deficits for some years—regarded as impossible without substantial subsidy from some source. Although the Island has a greater density of population per square mile than the other provinces, it is uniformly distributed, rather than grouped in small areas, which tends to increase the length of line per customer, and the cost. To service the 13,000-odd farms over the 3,500 miles of roads would take 10 or 20 years to complete economically, the report adds.

Charlottetown has been invited by the Air Transport Board, to take over operation of the airport there. Pre-war plans called for construction by the Dominion, operation by the city; on outbreak of war, it was taken over by the air defense department. The Board is understood to have hinted at federal financial aid, if deficits arise.

In Nova Scotia

Any Dominion-provincial agreement "must avoid at all costs, any such fixity of revenues as would prevent adequate expansion of provincially operated services of government, now recognized as essential for higher standards of living," the Macdonald government stressed in the speech from the throne. It forecast establishment of a research organization, with initial outlay $1 million, aimed at improving basic industries; a system of consolidated rural high schools; free tuberculosis treatment and other health service extensions; controlled marketing of natural products; development of the tourist industry by assistance to inns and hotels; resumption of paving, bridge and highway construction.

Russell Cunningham, CCF leader, branded Dominion Steel and Coal Corp. "a monopoly of the first degree," and voiced fear of "trouble" over unemployment in Cape Breton. Mobs looted Cape Breton stores during the '20's, he recalled, ominously.

Annapolis Valley fruit growers denounced daylight saving as "making work on farms more difficult, and production more costly and inefficient;" threatened to boycott stores or municipalities which advance their clocks.

One of two government-owned mines at Inverness will close about April 1, because of unprofitable operating conditions. The Government has indicated it will not consider opening any new mines pending the handing down of the Carroll Royal Commission Report, and the finalizing of a fuel policy by the Dominion Government.

Six United Mine Unions in the Cape Breton fields have adopted a death benefit plan under which all members will donate 50c. in case of a death from any cause around the collieries.

In New Brunswick

The House cleared decks for presentation of the budget this week, after hearing Premier J. B. McNair denounce "sectionalism, provincialism, narrow nationalism and isolationism." McNair also promised the House a full voice on New Brunswick's policy at the Dominion-provincial conference.

Canada's "ruinous" freight rate structure "is a marked example of unfairness, partiality and insolence, seldom reached in the economic history of our country," F. C. Squires, Prog. Con., Carleton, charged. He called for federal action "to put New Brunswick on a great export map," and to equip Saint John as "a great national port, the equal of Boston or Portland."

Decentralization of many government departments, by erection of a provincial building in every county, (also providing a substantial employment program) was advocated by J. H. Proulx, Lib., Madawaska. John Woods, Prog. Con., King, blamed decline in butter production on the Dominion Government's price program; called for an increase in the butter subsidy to 14 cents a pound, as the remedy.

Second stage of postwar expansion of Maritime air service, was signalled when a 26-passenger Douglas aircraft completed its first round trip between Moncton and Halifax. Service opened in February between Halifax, New Glasgow and Charlottetown.

In Quebec

The Duplessis government's bill granting Hollinger North Shore Exploration Co., mining concessions on 3,900 square miles in New Quebec (Ungava) passed its first major hurdle. "The most iniquitous deal ever made by any government since Confederation . . . selling our resources to foreign interests for a song" stormed ex-Premier Adelard Godbout, as the bill received second reading, 38-24, in the Assembly. "A real scandal, giving away riches for nearly nothing," agreed Andre Laurendeau, Bloc Populaire leader.

Mines Minister Jonathan Robinson stressed the necessity of developing Ungava by such methods; stressed also that while the company is empowered to "explore" the 3,900-mile area for 17 years, it will only be allowed to exploit 300 square miles; and forecast discovery of valuable iron deposits. The bill still faced tough sledding in the last provincial Senate in Canada, the Legislative Council, where Liberals are in a majority.

The phantom of conscription stalked the Green Chamber once more, as the Assembly, with one dissenting vote, petitioned for an amnesty for all "conscientious" draft dodgers. "Persons who, being of good faith, violated the military laws of the country" was the exact phrasing. Responsibility for encouraging draft dodging, was tossed back and forth between the parties, and between the province and Ottawa. George Marler, English-speaking Montreal Liberal, was the only dissenter.

Isolationist Rene Chalout, opposed bilingualism in his own city of Quebec; would abolish use of the English language on signs in that city, "to assist Quebec to retain her French language characteristics."

A $10-million, four-year campaign to combat tuberculosis, announced by Health Minister J. H. A. Paquette, plans creation of a special commission to regulate construction of sanatoria, care of indigent patients, training of specialists and other preventive steps. Simultaneously, Montreal received from Dr. R. P. Vivian, head of the department of health and social medicine at McGill (and former Ontario health minister), recommendations for a far-reaching improvement in civic hospitalization. Main proposal is establishment of separate institutions for incurably ill or long-staying patients, to clear accommodation for other emergency cases.

Quebec is to have two new Government departments, one of social welfare and youth, one of "radio, cinema, tourist and propaganda." Legislation establishing the first, passed 43-33; the second has been forecast by Premier Duplessis.

A special Liquidation Commission will take over the task of amortizing debts of approximately $90 millions, lifted from the shoulders of local school boards. Companies developing natural resources of the province, will be required to assume a share of the education tax burden, previously borne by property-owners. Capital expenditures by local school corporations, will in future be subject to control by the Commission.

—Blank Stoller photo.

HONORE PARENT

has been appointed general manager of the General Trust Co. of Canada. He succeeds Rene Morin, who becomes vice-president.

In Ontario

Prospects of a four-week session foundered, as the first full-dress debate dragged on into the third week . . . a Liberal amendment and a CCF sub-amendment both challenging the Government record. Provincial Treasurer Leslie Frost brought down his budget, but prorogation appeared improbable much before Easter.

Labor Minister Charles Daley answered with an emphatic "nothing doing," a demand from the Ontario Federation of Labor (CCL-CIO) for his resignation from the cabinet.

Branded by the OFL "an ex-grocery clerk," Daley pledged himself "to continue to correct things I think are wrong;" voiced the view that his legislation "has been tougher on management than on labor." Premier Drew ignored OFL charges of "Red-baiting" and of "injecting political strife into labor's ranks" (Drew, a week before, bade labor purge itself of "Communists and Communism.")

Labor-Progressive A. A. MacLeod charged non-recognition of his two-man group when denied a leader's priority on the debating list; threatened an appeal (to a House in which Conservatives hold 66 of 90 seats) but didn't press it.

W. J. Grummett, in his first major utterance as CCF House leader, termed the recent motor workers' strike at Windsor "another Munich—the Munich of America;" charged Dominion and provincial labor officials had "lowered Canadian dignity" by crossing to the United States to meet Henry Ford II; argued that "they should have asked him to come to them."

A purge from Ontario schools of "all Communists and atheists who are now teaching there, poisoning the minds of our youth" was demanded by R. A. McEwing, Liberal, Wellington North.

Another repudiation of Marxist groups came from Joseph Meizinger, Liberal-Labor, Waterloo North: "I have no earthly use for Communists. Noone, including Premier Drew, has fought Communism as I have during six years as mayor of Kitchener. My religion (Roman Catholic) and Communism, just don't jibe." Meizinger called for closing of Ontario House in London as an extravagant ($114,000 yearly) duplication of Canada House.

Ontario, like Quebec, plans two new Government departments; one of travel and publicity, to be headed by Hon. G. A. "Tiger" Welsh, veteran of two wars; one of reform institutions—hitherto administered by the provincial secretary, but now so complex as to require separate administration. Hon. G. H. Dunbar, present Provincial Secretary, may head the new dep't.

Legislation to streamline the provincial Planning and Development Dep't, empowers it "to approve and assist in creating plans for municipal areas;" authorizes municipalities "to enter into planning undertakings for various purposes, including housing." Minister Dana Porter stressed that the Dep't is an advisory office, rather than "a handout centre" for municipalities; explained that its functions range from outlining technical courses for veterans, to encouraging outside industries to establish plants in Ontario.

Farmers and other residents of Ontario areas, suffering property damage from fumes from mine operations, are to have a court of appeal. Compensation awards made to them by arbitrators—hitherto final—may in future be reviewed by the Ontario Municipal Board.

In Manitoba

Premier Stuart Garson presented an all-time high budget, calling for $19,979,225 expenditures (up $1,230,735 from a year ago). Reduction of public debt charges, however, reduces the net increase to $810,905. Last peacetime budget, in the spring of 1939, totalled $15,788,597. Unemployment relief estimates ($40,000 a year ago) disappeared for the first time. The province plans to spend $293,750 for vocational training, against $21,050 last year. Normal school estimates are almost trebled, from $35,420 to $104,400.

The old and vexed racial discrimination issue emerged once more in a bill sponsored by S. J. Farmer, CCF leader, to provide penalties for refusal of accommodation in a public house, apartment house or theatre, or refusal of employment on racial or religious grounds. Lt.-Col. Gordon Churchill, servicemen's representative, voiced belief the measure would defeat its own purpose. "If we keep on emphasizing racial differences in this country, the result will be disastrous" he warned. The measure proposed a maximum penalty of six months' imprisonment plus a $500 fine.

Canada should increase her wheat acreage, in view of the critical world food situation, Agriculture Minister D. L. Campbell insisted.

In Saskatchewan

Saskatchewan won't tax "luxuries or semi-luxuries;" on the contrary, will abolish (in Sept.) her 2% education tax on foodstuffs and restaurant meals, absorbing the resultant $2 millions loss in revenue without imposing new levies. Presenting a $52 millions "balanced" budget, Provincial Treasurer Fines forecast a 1946-47 surplus of $34,446. He reported net debt reduction of $18,116,245 since the CCF came into power in June, 1944; said provincial bonds are at the highest rate in Saskatchewan's history.

"The people will not be frightened by a $50,000s budget, or a $60 million one, if necessary" Fines predicted. "They will measure a government by the way it spends the money, and by the people's economic and social position, as a result of the spending."

To which Prog.-Con. leader Rupert Ramsay replied with a challenge to the CCF to put its theories to the test by selecting one area in the province and "socializing it to the nth degree."

"Socialize the land, the stores, the industries, and machinery, the schools, the newspapers," he advocated. "Make all the property non-taxpaying, yet keep up the public services the people now have. Operate it thus for two years, and if in that time we see the people happier, and living a fuller life, we shall then, as an electorate, be in a position to pass reasoned judgment on the Socialist plan."

The budget ($40 millions for current expenditures) is Saskatchewan's highest, $10 millions above the last Liberal program, for 1944-45.

The issue of mortgage companies split CCF ranks for the first time this session, when Education Minister Lloyd and Labor Minister Williams joined 16 private CCF members in voting to give a six-months' hoist to a bill for incorporation of a new mortgage company at Saskatoon. The bill, however, carried.

"Too many mortgage companies now," protested Harry Gibbs, Swift Current. "We are a long way from the platform on which we were elected," warned D. M. Lazorko, Redberry. But Arthur Stone, Saskatoon, contended that if mortgage companies were permitted at all, it would be unfair to discriminate against the applicant company.

In Alberta

After 10½ years of Social Credit rule, Alberta neared a possible showdown on the feasibility of the Aberhartian theory. Aberhart's successor, Premier E. C. Manning, this

(Continued on page 9)

See Much More Lumber Millwork Outlook Poor

Lumber production increase in 1946 is expected to add several hundred million feet to stocks of dimension lumber available for construction and other domestic use. This gain is additional to transfer from war use of 500 million feet a year, a transfer felt only moderately last fall and to take full effect in the coming building season. Thus, pronounced easing in the dimension lumber pinch is due at mid-year, despite excessive demand. Warning in the supply position will not take in some quarters that improvements place until the fourth quarter are discounted by most lumber wholesalers contacted by The Financial Post.

But the outlook for finished millwork continues to cause concern. Shortage of several hundred trained workers in sawmills and millwork plants still hampers effort to boost millwork output for the 60,000 housing units aimed at this year. And new threat to supply of pine for sash and doors is proving even more troublesome.

Canadian sash and door makers are trying to induce U. S. Pacific Northwest mills to continue shipment of Ponderosa pine to Canada despite excessive U. S. demand and strike-reduced production. The Canadian sash and door trade for 20 years has relied increasingly—and now mainly—on Washington, Oregon and California Ponderosa pine, because of progressive decline of British Columbia's once rich stands.

If the sash and door trade can't get assurance of continued big volume shipments of U. S. pine, lumbermen tell The Financial Post, it may have to resort to Canadian cedar or some other substitute.

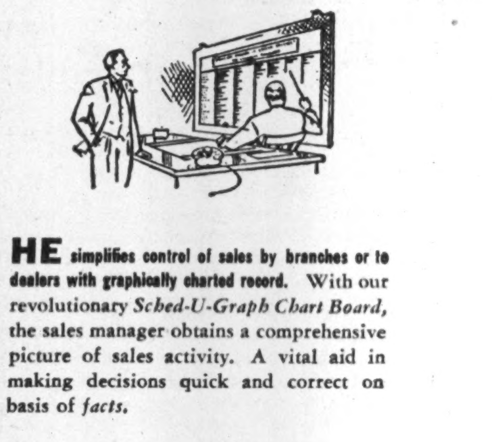
Current proposals to the U. S. Government for an outright ban on lumber exports probably will be rejected, best-informed Canadian lumbermen believe. They point out that Canada's lumber bargaining position is good, that U. S. softwood shipments to Canada over 20 years have averaged only 60 to 75 million feet a year, or about 17% of normal Canadian lumber exports to United States and 5% of Canadian shipments to American users right after Pearl Harbor. Canada, all through the 1930's sent an average 500 million feet of lumber over the border every year; increased this to between 1.2 and 1.5 billion feet in 1941 and 1942, and in 1943-44-45 only cut this back to between 800 and 900 million feet a year.

Though Ottawa is considering reduction of the present timber export quota from 43% to 35%, importers from Canada would still get close to the same amount in actual measurement as last year, because of gain in this year's Canadian cut, put by most authorities at around 300 million feet over 1945 for a 1946 total around 5 billion feet. Canadian production in 1943-44-45 averaged 4.7 billion feet a year, of which an average 2 billion feet was exported.

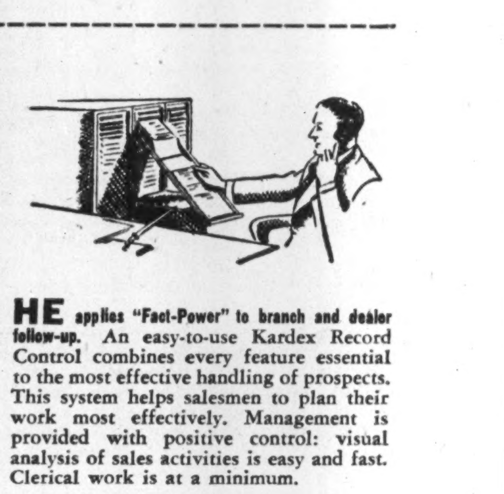
Crown Trust Company

Executors :: Trustees :: Financial Agents

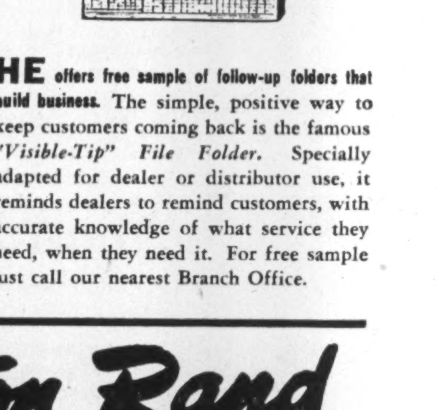
MONTREAL TORONTO



HE simplifies control of sales by branches or to dealers with graphically charted record. With our revolutionary *Sched-U-Graph Chart Board*, the sales manager obtains a comprehensive picture of sales activity. A vital aid in making decisions quick and correct on basis of *facts*.



HE applies "Fact-Power" to branch and dealer follow-up. An easy-to-use Kardex Record Control combines every feature essential to the most effective handling of prospects. This system helps salesmen to plan their work most effectively. Management is provided with positive control: visual analysis of sales activities is easy and fast. Clerical work is at a minimum.



HE offers free sample of follow-up folders that build business. The simple, positive way to keep customers coming back is the famous *"Visible-Tip" File Folder.* Specially adapted for dealer or distributor use, it reminds dealers to remind customers, with accurate knowledge of what service they need, when they need it. For free sample just call our nearest Branch Office.

HE builds "Sales-Power" to reduce selling costs

In these crucial reconversion months, sales management requires quick access to accurate information as a basis for profit-building decisions.

How to get it? This man can show you. He'll put within eye's reach the "Fact-Power" you need to overcome new sales obstacles . . . to take the sharpest aim at your most profitable prospects . . . to lop off time and effort wasted in running down markets.

He is the *Systems Technician* . . . skilled in providing visible record controls with the easy, fast analysis vital in seizing today's sales opportunities at the lowest cost.

But why not use this man's resources in full? Let him also recommend vertical filing systems best fitted to your method of operation, point-of-use fire protection for irreplaceable records, suitable office furniture, and catalog binders that put extra punch in your sales presentations.

Now is the time to see the many ways in which "Fact-Power" can lower your distribution costs. Call our nearest Branch Office—or write us in Toronto.

Remington Rand

199 BAY STREET — TORONTO

Branches in All Principal Cities

ST. REGIS PAPER COMPANY

DIRECTORS: J. O. Bulkley, T. H. Cosford, W. DeLong, W. K. Dick, W. J. Dixon, R. K. Ferguson, M. F. Ford, E. R. Gay, H. R. Lamb, H. S. Lewis, H. E. Machold, C. R. Mahaney, R. B. Maltby, C. B. Martin, J. A. Quinlan, W. H. Versfelt

The conclusion of the War found St. Regis Paper Company with an extensive record of production for victory and with a major reconversion problem in only one division.

The immediate and long-range demands for the wide variety of wood cellulose products manufactured and sold to more than a score of America's growing basic industries called for substantial expansion of production facilities in all divisions. This is being accomplished by construction of new plants, by modernization of equipment in present establishments, and through acquisition of additional properties.

Sales, which reached a new peak in 1945, are derived from a wide cross section of industry and commerce, and the diversification of products and end uses constitutes a measure of protection against the peaks and valleys of demands in the fields served.

Consolidating and supplementing the progress of the past ten years, the Company plans continuing development in all divisions.

Products — Light-weight printing, catalog, directory, book and specialty papers • Heavy duty multiwall bags, flour bags and sugar pockets • Kraft multiwall paper, shipping sack and other kraft specialties, rope stock • Bleached and unbleached kraft pulp • Bag making and bag filling machinery, replacement parts, and wire ties • Fabricated and molded laminated plastic parts, and sheets, rods and tubes.

Summary of Consolidated Income for the Year Ended December 31, 1945

Net Sales, Royalties, and Rentals	$52,500,824.42
Costs and Expenses	48,308,071.16
Operating Income	4,192,753.26
Income Credits	1,476,449.99
Gross Income	5,669,203.25
Income Charges	1,193,698.93
Net Income Before Provision for Income and Excess Profits Taxes	4,475,504.32
Provision for Income and Excess Profits Taxes	2,132,851.52
Net Income Before Deduction of Minority Interests	2,342,652.80
Deduct Minority Interest in Income	131,241.49
Net Income	$2,211,411.31

ST. REGIS PAPER COMPANY

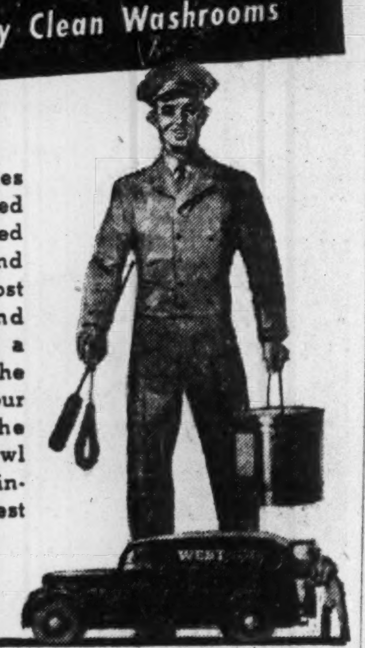
Taggart Corporation • St. Regis Paper Co. (Canada) Ltd.

NEW YORK 17: 230 PARK AVENUE

Chicago 1: 230 N. Michigan Ave. San Francisco 4: 1 Montgomery St.

Baltimore 2: 2601 O'Sullivan Bldg. Montreal: 924 Canada Cement Bldg.

INVESTMENT IN SANITATION!
Maintain Healthfully Clean Washrooms



To supplement the regular duties of your janitors, specially trained West Service Men, experienced in using proper disinfecting and deodorizing materials in the most efficient manner, inspect and service your washrooms on a regular periodic schedule. The cost is surprisingly low. Your purchase of Westamine, the odorless disinfectant, West Bowl Cleaner and West Deodorants includes the services of these West SERVICE MEN *WITHOUT ADDITIONAL CHARGE!*

Send for literature **WEST** DISINFECTING Co. Ltd. MONTREAL, QUE., 5621-23 Casgrain St. TORONTO, ONT., 2299 Dundas St. W
CALGARY EDMONTON HALIFAX REGINA SASKATOON VANCOUVER WINNIPEG

IN TORONTO... CARS and TRUCKS FOR RENT
CALL car-U-drive COMPANY LIMITED
100 RICHMOND STREET WEST TORONTO, ONT.
AD. 5733

Hard-to-Get Items Mark New Chain Unit Opening

In four and a half hectic days last week, some 25,000 shoppers passed through wide, chrome-plated doors of a new groceteria, gathered up baskets of provisions, and gave the operators on a bank of five cash registers all they could do to pass them out before closing time.

The occasion was the opening of the first Dominion Store postwar unit in Toronto's north end, the first of several that are planned for construction throughout the four provinces in which Dominion operates.

The store opening on Tuesday morning was a deliberate attempt to enable local shoppers who might become permanent customers of the store to have first view of the store, and early morning shoppers were pleasantly surprised to find such hard-to-find items as canned salmon and jelly powders waiting for them.. These articles appeared throughout the day in small quantities, and shoppers reported that neighboring grocery stores, expected such a feature to mark the start of their competition, met it with release of similar commodities.

Store officials declared that no special publicity program preceeded the opening. Handbills were distributed throughout the district served by the store, while later in the week full-page newspaper advertisements were used.

"The trend is toward bigger, more efficient stores, in which handling and distribution costs can be kept at an absolute minimum," said Mr. Horsey, president.

The new store incorporates several features arising from considerable wartime thinking, and evidences signs of lingering wartime shortages (plaster instead of glass front, flooring in three widths).

The unit is 54 feet wide by 115 deep, and, apart from doorway space and that occupied by the cash registers, the entire floor is taken up with merchandise. The window, about 40 feet wide carries no display of food stuffs. Louis D. Squair, Dominion vice-president, pointed out that in following this policy, time is not consumed in decorating the window with merchandise which is subject to deterioration from sunlight (fruits and vegetables, popular for this purpose because of their color, in particular). In their place are show cards, while the whole interior of the store itself is used to display merchanidse.

This policy is followed throughout the store, and no display stands of any kind are seen. The saving, Mr. Squair stresses, is not only in employees' time, but also in space available for customers. This idea is carried further by the use of conveyors running from the basement to the fruit counter placed in the middle of the floor. Fruit is brought to the counter already measured and priced, and is handled by clerks behind the counter. This saves time wrapping after customers have decided on their purchases, and keeps floor space free for customers.

Even when plans for the new units have been completed, they will not, when added to the 234 stores now operated by Dominion, come within a half of the chain's all-time high of 572 units operated in 1931.

In erecting new units, such factors as food expenditure per capita, worked out from Dominion Bureau of Statistics figures, probable future of the district and the stores already established there, are taken into account.

Keep Many Smaller Units

In making these computations, Mr. Squair found a definite relationship between cities and towns, and smaller rural communities. The weekly per capita consumption in some of the remoter districts was at $1 or lower, rising steeply to more than $3 in some of the larger cities. He pointed out that this was the result of lowered food purchases being augmented by farm produce.

"While our new units entail an investment of approximately $100,000 each, we are not considering closing all smaller units," said Mr. Squair. "They have their place, though in one city we closed more than a dozen stores, and, with a new, modern groceteria, were able to realize a greater volume."

In 1939, with 378 stores, a turnover of $19,909,040 resulted in a net profit of $125,207. This compares with a turnover in the 64 weeks ending March 17, 1945 of $29,001,889 for a net profit of $304,356 And this was realized with but 243 stores.

H. L. ENMAN

elected a director of the Canada Life Assurance Co. He is general manager of the Bank of Nova Scotia.

Abitibi Paper 14-year Battle Nearing End

Unanimous adoption of the reorganization plan of Abitibi Power & Paper Co. by holders of $44,230,500 par value bonds (91.7% of the issue) at a meeting in Toronto last week brings the removal of the company from its 14 years of receivership into sight. But before Abitibi is returned to complete corporate management, many details will have to be taken care of. It seems unlikely that any new securities will be issued until shortly before June 1—the next interest date on the new bonds.

Application is being made to the Supreme Court for supplementary letters patent this week. As there were no dissenting votes, only the usual 21-day waiting period will be required, and the letters are expected to be received by April 15. When they are received the plan becomes effective.

Then the liquidator has to call on not less than 10 days' notice, a special general meeting of shareholders to elect from Class B directors.

At the meeting last week the following were nominated as Class A directors to represent the bondholders and will hold office until the 1947 annual meeting:

J. P. Ripley, R. H. Reid, H. J. Carmichael, D. W. Ambridge, G. R. Cottrelle, Allan Graydon, T. R. McLagan.

The liquidator nominated W. H. Smith (present operating head of Abitibi), J. H. Gundy, J. S. D. Tory and E. W. Bickle as Class B directors to hold office pending the shareholders' meeting.

New timber concession agreements have been settled with Ontario and have been authorized by Order-in-Council

Distillers' Wheat Cut Brings Little Concern

MONTREAL (Staff)—Prime Minister King's announcement of a 50% reduction of wheat for distilling purposes is not causing any great alarm in distilling circles here. Until they see the exact terms of the order, they say it is impossible to determine their position.

An official of one company stated that while a cut in wheat might mean a slight curtailment in present alcohol production it should have no effect on present liquor sales, since this year's production must be aged for several years. Any reduction in sales will probably come only if the wheat reduction policy continues long enough to threaten stockpiles seriously. Distillers use considerable quantities of rye, corn and other grains, and are not entirely dependent on wheat.

UNIVERSITY OF ALBERTA—will give the first physical training degree course in the West, starting probably next fall. Presidents of the four western universities stress the necessity of continued federal financial assistance to the universities for the training of ex-servicemen under rehabilitation grants. At present the federal grant for each veteran student is $150.

TOWN OF ORILLIA
DEBENTURES

Sealed tenders will be received by the Treasurer up to Twelve o'clock noon, March 29th, 1946, for the purchase of $39,400 serial debentures of the Town of Orillia, payable at par Orillia and Toronto. Principal is to mature serially during the years 1947 to 1961 inclusive and interest is payable half-yearly at the rate of 2¾% per annum. Full details as to the purpose of this issue and amounts maturing annually, together with a Financial Statement of the Town, will be furnished on application.

The right is reserved to reject any or all tenders.

Address tenders to "The Treasurer, Town of Orillia," marked "Tender for Debentures."

$128,000.00
TOWN OF COCHRANE, ONTARIO
3½% BONDS FOR SALE

Principal and Interest (Annual) payable at the Bank of Nova Scotia, Cochrane, Ontario.

Purpose

For the purpose of augmenting the existing Town Water Supply and providing an impounding reservoir, filtration and water softening plant in conjunction therewith.

Tenders for the purchase of these Bonds should be mailed to E. J. MacVittie, Clerk-Treasurer, Town of Cochrane, Ontario, in sealed envelope marked "Tender for Bonds" and must be received at the Town office not later than noon, March 26th, 1946. Highest or any tender not necessarily accepted.

Further particulars on matters pertaining thereto may be obtained from the above named Clerk-Treas.

Quebec Power Company

Quebec Power Company, which is controlled by the Shawinigan Water & Power Company, serves the City of Quebec with electric power and gas and an extensive surrounding district with electric power. Through a wholly owned subsidiary, the Company operates transportation services in the City of Quebec and immediate environs.

The gross revenue of the Company and subsidiary has increased from $3,933,066 in 1936 to $7,483,082 in 1945. During the same period operating profit increased from $1,749,948 to $2,440,390.

Earnings available for bond interest, after charging depreciation, have averaged 2.75 times such interest charges in the ten years ended December 31, 1945.

Descriptive circular available upon request.

DOMINION SECURITIES CORPORATION LIMITED
ESTABLISHED 1901
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

To Owners of Private Corporations
What are the fruits of your labour?

Will the eventual payment of Succession Duties by your estate bring your business to the verge of bankruptcy?

This catastrophe has happened to old established family businesses. The owners waited just too long in deciding to take measures to minimize these potential liabilities.

Consider the matter from these angles: you know what your business has earned and what you have taken out of it. You know how much undivided surplus has been accumulated. What you don't know is whether the eventual payment of Succession Duties may rob your estate of the major part of the fruits of your labour.

These unknown factors *can* be minimized if proper action is taken now, but each business situation presents a different problem. In solving yours we offer you the benefit of our successful experience.

Member Investment Dealers Association of Canada

Gairdner & Company Limited
320 Bay Street, Toronto
ELgin 2301
Toronto Hamilton Montreal Quebec City

These securities having been sold, this advertisement appears as a matter of record.

New Issue

$8,000,000

Howard Smith Paper Mills, Limited
(Incorporated under the laws of the Dominion of Canada)

Cumulative Redeemable Preferred Shares
Par Value $50.00

Preferred as to capital and dividends. Cumulative preferential dividends at the rate of $2.00 per share per annum will accumulate from 8th May, 1946, and as and when declared by the Board of Directors will be payable in quarterly instalments on 20th January, April, July and October, for the quarterly periods ending 31st December, 31st March, 30th June and 30th September. The first dividend payable 20th July, 1946, will be 29¢ per share for the period from 8th May to 30th June, 1946. Dividends will be payable in lawful money of Canada at par at any branch in Canada of the Company's bankers (Yukon Territory excepted). Redeemable in whole at any time or in part from time to time, at the option of the Company, on not less than thirty days' notice, at $52.50 per share plus accumulated and unpaid dividends to the date fixed for redemption. The Company may purchase the Preferred Shares for cancellation at any time.

Transfer Agent: Montreal Trust Company, Montreal, Toronto, Winnipeg, Vancouver, and Halifax, and The Royal Trust Company, Saint John.

Registrar: The Toronto General Trusts Corporation, Montreal, Toronto, Winnipeg, and Vancouver and The Royal Trust Company in Halifax and Saint John.

In the opinion of Counsel, these Preferred Shares will be a legal investment for funds of Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932, as amended.

CAPITALIZATION
(After giving effect to proposed financing)

	Authorized	Outstanding
First Mortgage Bonds	$12,000,000	
3% Serial Bonds due 1947-1955		$3,600,000
Cumulative Redeemable Preferred Shares of $50.00 par value	10,000,000	8,000,000
Common Shares no par value	400,000 shs.	332,836 shs.

The Company has agreed to make application to list these Preferred Shares on the Toronto and Montreal Stock Exchanges.

We offer as principals these Preferred Shares if, as, and when issued and accepted by us and subject to prior sale or change in price and also subject to the approval of our Counsel, Messrs. Montgomery, McMichael, Common, Howard, Forsyth & Ker, Montreal, who are also Counsel for the Company.

Price: $50.00 per share

It is expected that delivery of Certificates for these Preferred Shares in interim form will be made on or about May 8th, 1946.

A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be promptly furnished upon request.

Wood, Gundy & Company
Limited
Winnipeg TORONTO Vancouver
Ottawa Montreal New York Victoria
London, Eng. Hamilton Kitchener London, Ont.

New Issue

Township of East York

2¼%, 2¾% and 3% Debentures

To be dated May 1, 1946 — To mature May 1, 1947 to 1968

Principal and annual interest payable in lawful money of Canada at Toronto. Callable at 100.00 and accrued interest on thirty days' notice, as a whole or in part, in reverse order of maturity. Debentures in $1,000 denominations are to be issued in coupon form with provision for registration as to principal.

Legal Opinion: Messrs. Daly, Thistle, Judson & McTaggart.

These debentures are a direct obligation of the Township of East York and each debenture will bear the Certificate of Validation of the Ontario Municipal Board.

The proceeds of an issue of $4,177,000, of which the debentures offered herein are a part, together with funds to be provided by the Township will be used to redeem on May 1, 1946, the presently outstanding Township of East York Debentures bearing interest at 2¾%, 3%, 3½% and 3¾%, and maturing in the years 1947 to 1968 inclusive, in the amount of $4,177,020.11.

Schedule of Maturities

Coupon	Maturity	Price	Yield
2¼%	May 1, 1947 to 1954	Sold	
2¾%	May 1, 1955 to 1959	99.50	2.80%
3%	May 1, 1960 to 1968	100.00	3%

(Accrued interest is to be added to the above prices)

We offer these debentures, as principals, if, as and when issued and accepted by us, and subject to the favourable legal opinion of Messrs. Daly, Thistle, Judson & McTaggart. It is expected that the debentures will be available for delivery on or about May 1, 1946.

A circular describing the above issue will be mailed upon request.

FAIRCLOUGH & COMPANY
LIMITED
80 Richmond Street West Toronto
Telephone ADelaide 6191

We offer as principals:

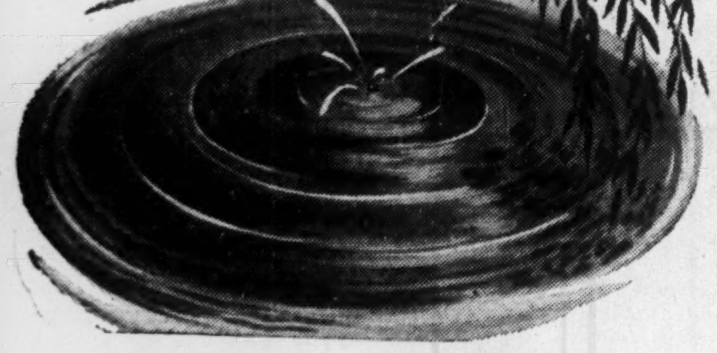
PROVINCE OF SASKATCHEWAN

4% DEBENTURES

DUE SEPTEMBER 1, 1949/54

PRICE: 102.50 YIELDING 3.25%

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG



Which is the bigger saving to you?

10% of the pebble . . . or the ripples?

PRINTED form cost may be regarded as a "pebble" that spreads "ripples" of multiplying costs. Independent studies indicate that the time and effort required to write, handle, check, route, and file forms adds up to from 10 to 50 times the original form cost. The Formcraft Analyst approach to simplified record-writing is outlined in our booklet, "The Changing Challenge." Copies free on request.

R. L. CRAIN LIMITED
OTTAWA CANADA

Associate Companies:
The Standard Register Co. Dayton 1, Ohio. — W. H. Smith & Son Ltd. London, England. — Sunset-McKee Standard Register Sales Co. Oakland, California.

Growth Companies

Common stocks of companies whose earnings indicate a steady uptrend and whose facilities are expanding, offer definite long-term investment attraction combined with possibilities for capital appreciation.

CANADIAN CELANESE
CANADIAN BREWERIES FAMOUS PLAYERS

Analyses Available on Request

THOMSON & Co.

MEMBERS
MONTREAL STOCK EXCHANGE MONTREAL CURB MARKET
THE TORONTO STOCK EXCHANGE

Private Wires to All Offices

MONTREAL NORANDA TORONTO

ALL IN ONE PACKAGE!

Solid reader acceptance, overflow market coverage, quality readership, an unmatched editorial background, — all these are wrapped up in ONE powerful selling package for advertisers who use the Star to cover Montreal's English market.

In addition, the Star's HOME-READ circulation is assurance that every page gets a thorough "combing" each evening from the entire family — another reason why the Star should be a MUST on your Montreal advertising schedule.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL Established 1870 CANADA

INVESTMENTS THIS WEEK

1945 Earnings Up 8.5% Company Reports Show

A review of the 1945 earnings reports of 152 Canadian companies indicates that stocks are 8.5% better than they were a year ago in earning power, approximately 3.5% better in net worth. Some companies bettered that average; an equal number did worse. And the majority brought down to distributable income more than they did in 1944.

In the same period of time, market prices were up 35%.

Other consolidated characteristics revealed by 1945 annual reports are:

1. Net profit, before dividends, up 3% from 1944.
2. Net working capital up 13%.
3. Dividend payments at $86 millions, up 2%.

These figures reveal that the 1945 rate of return on capital and surplus, after taxes, was 8.6%. Rate of return in 1944 on net worth was 8.3% for these same companies. Preliminary U. S. data prepared by the National City Bank, show an average return of 8.6% in 1945, 9.0% in 1944.

Here's a thumbnail sketch of what has happened to corporate earnings in 1945 as revealed by the annual reports. Comparisons with the corresponding period of the previous year are shown:

(Millions of dollars)

	1945	1944
Operating earnings	416	383
Net profit	122	113
Dividends	86	85
Working capital	694	612
Net worth	1,410	1,363

In arriving at net profit, refundable EPT has been excluded. Net worth includes book value of outstanding preferred and common stock and surplus account. This survey covers 142 companies. Banks, trust companies and life insurance companies have been excluded.

* * *

Shareholders' Equity Cut By War Price Adjustments

As reconversion proceeds and war contracts are reviewed and settled, adjustments on war contract renegotiations with the government will probably cut into company reserves set up for the purpose of reconversion, future expansion or as future dividend guarantees, etc.

The case is illustrated in the 1945 reports of Robt. Mitchell and Canadian Westinghouse Co. In the case of Mitchell the adjustment meant an equity cut of $12.63 per share common; in the case of Canadian Westinghouse the adjustment meant an equity cut of $1.17 per share.

Robt. Mitchell made 1945 refunds on war contracts totalling $914,329, representing the company's share of the over-all rebate to the government; an additional $3.6 million rebate is being made to the government by the Income Tax Department.

The company's share of the settlement was made by reducing earned surplus by $341,508 or 40%; by reducing deferred surplus (refundable portion of EPT) by $572,821 or 51%. Because of the capitalization of this company (there are no bonds or preferred stock, only 72,400 common shares) the impact of these adjustments on the shareholders' equity was considerable. At Dec. 31, 1945, Mitchell stockholders' equity was $27.70 ($39.46 in 1944).

The net cost of the Canadian Westinghouse adjustment with the government on its war business was $670,000 and was met by being charged to the reserve for contingencies (refundable portion of taxes on income). However shareholders' equity in Canadian Westinghouse at the end of 1945 was $38.44 ($35.61 in 1944).

* * *

Equity of Steamers Common Shows Marked Improvement

Street interest has been lately centring in Canada Steamship common which, at $19 per share, is at an all-time high since the new stock was approved by security holders in January, 1937. Despite the market weakness of the past month, this stock still exceeds its 1945 high.

Reasons for this interest are not hard to find. 1945 operations resulted in the second highest level of gross revenues in the company's history, exceeded only by 1920 levels. Debt charges were cut $244,850 in 1945 and $234,705 was carried forward to earned surplus.

Most significant change, from the shareholders' point of view, was the 64% improvement in common stock equity in 1945. Although the equity behind the common had increased each year since the stock was approved, the increase in 1945 was the greatest on record. At the end of the year equity per share totalled $34.16 ($20.79 in 1944).

Main reason for this was the appearance in the balance sheet of a new "capital surplus" item of $1.3 million representing profits from properties and the value of vessels lost or sold prior to 1945.

* * *

Capital Changes Improve Western Lumber Common

Canadian Western Lumber's 1945 capital house-cleaning has put it in a position where it can make the most of the expected building boom prosperity. By refunding its previous $3.7 millions 5% debt and paying off the $2.5 million interest arrears, this barrier to common stock dividends has disappeared.

Interest charges now total $190,000 in the first year, reduced amounts in succeeding years as the serial bonds mature.

Although Canadian Western Lumber only showed average earnings of two cents a share for the years 1940 through 1944, earnings per share in 1945 were $0.15 (excluding or $0.20 including refundable EPT). There has been good interest in the stock which has been as high as $3.80 and is now selling around the $3.00 mark.

Some speculators predict earnings of $0.30 per share in 1946 and base this on reduced EPT and greater sales with a better operating ratio as more skilled help becomes available in the logging and sawmilling operations, although on the basis of 1945 operations distributable earnings would be $0.25 per share.

* * *

No Preferred Redemption For Orange Crush Ltd.

Recent street rumors that Orange Crush was contemplating redeeming its outstanding preferred stock are wholly untrue, an executive officer of the company informs The Financial Post.

The preferred stock of which 30,000 shares are outstanding is redeemable at any time at $12.50 per share and accrued dividends. It is also convertible at any time into common shares at the option of the holder on the basis of four common shares for each five perference shares held. The stock is currently selling around the $14 a share level.

* * *

Say Not Considering Offer For Western Grocers Stock

One reason for strength of Western Grocers' stock seems to come from the street's expectation that sooner or later George Weston Ltd. will make some offer for the stock which it does not hold. Weston's President F. W. St. Lawrence, tells The Financial Post that the directors have not given any consideration to this idea.

Another report suggested that Weston's may have been buying stock on the open market. However, an examination of Western Grocers' share ledger showed 5,000 preferred and 9,750 common shares registered in the name of a brokerage firm and 79 preferred and 129 common shares in the name of George Weston Ltd. Provided all the broker's shares are held for the company, this would give a total preferred and common holding of 14,958 shares as against 14,887 shares held last May—only a small increase.

NEWSPRINT CONSUMPTION in the U. S. for the first two months in 1946 was 625,772 tons, an increase of 25.9% over 1945. Stocks of newsprint of U. S. consumers on hand in February were 390,209 tons compared to 462,349 a year ago. Stocks of Canadian manufacturers in February were 115,532 tons which was 3,864 tons more than the same month in 1945. Apparent total of all North American stocks was 580,103 tons at February this year, some 50,346 tons less than the same period last year.

IMPERIAL TOBACCO CO. announces redemption of all its 3¼ and 3½% serial sinking fund debentures due 1952-56 on April 15 at $101.05 and accrued interest. Plans for a refunding issue of the $10 million outstanding of these bonds will be announced later.

G. T. SOMERS

who has been elected vice-president of the Crown Life Insurance Co.

Winnipeg Elec. '45 Earnings Up

A 7.8% increase in Winnipeg Electric Co.'s 1945 earnings after depreciation but before taxes and bond interest is shown in a prospectus covering a new refunding bond issue. (Actual figures are $3,101,147 in 1945, $2,875,933 in 1944). On this basis earnings per common share should better the $1.31 excluding or $1.33 including refundable EPT shown in 1944 although little change is likely in retained profits.

Refunding of the bonds will mean an annual interest-saving of over $730,000 a year or 40% as compared with interest shown on the 1944 annual report. As this is equivalent to $1.29 a share on the 564,989 common shares, it indicates that common earnings might show a substantial increase in 1946, under the new tax law and provided business is maintained at the 1945 level.

As indicated in The Financial Post of Feb. 2, 1946, the $28 millions new issue consists of $4 millions 10 year 2¾% serial bonds due May 1, 1947-1956 ($400,000 annually), $11 millions 3¾% and $13 millions 4% first mortgage bonds due May 1, 1971. The 2¾% and 4% bonds have been sold privately while the 3¾% bonds are being offered at par and accrued interest by Nesbitt Thompson & Co. All bonds are payable in Canadian funds.

Proceeds with other funds are to redeem $36,057,271 outstanding bonds. The balance of funds required are said likely to come from the company's sundry investments which are carried at $10,873,169 at Dec. 31, 1945 and include the company's own bonds and Dominion of Canada bonds.

The callable provisions on the 4% bonds sets special redemption rates if the company is sold to a government or municipal authority.

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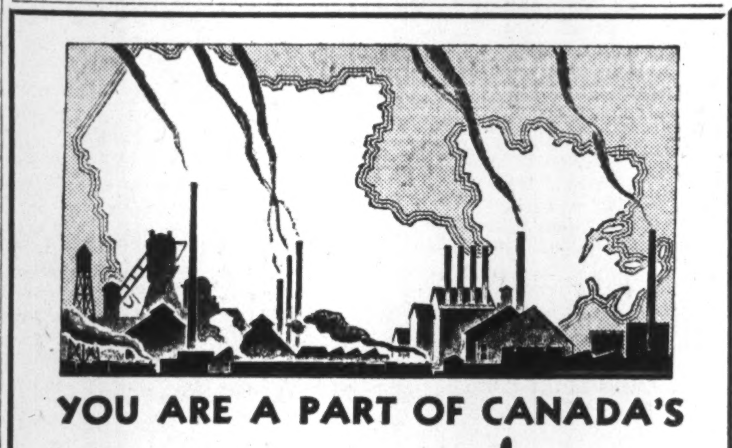

YOU ARE A PART OF CANADA'S

Industrial Picture!

WHETHER you are an important part of that picture or not depends in large measure upon how well your selection of a plant location has fitted your operations into the general scheme of things.

If you enjoy the economies that go hand in hand with a well managed operation, properly located with respect to labor, markets, power supply, etc., and providing the lowest possible aggregate in transportation costs on raw materials and finished product — then you ARE an important part of the picture, however small.

In considering expansion, or relocation of the old plant, you owe it to yourselves — and to Canada — to see that you are properly located for maximum efficiency.

May we offer you, without obligation, the benefit of our research facilities, and our experience in industrial placement?

CANADIAN NATIONAL RAILWAYS

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Group Judgment

OUR object is to give every type of asset and interest entrusted to us careful supervision. No one officer has the sole responsibility of decision in connection with any estate, trust or agency; their administration is directed by the group judgment of senior officers. The assets held for each account are reviewed at regular intervals during the year; the Board of Directors meets weekly; the Branch Advisory Boards at regular intervals; the Estates Committees and Investment Committees at Head Office and the various branches meet constantly. Where legal questions arise, the estate's solicitor is consulted. Besides all these purely business considerations there are the personal interests and problems of the beneficiaries for whom the property is being administered. This is an important aspect of our responsibilities and one to which we devote constant attention.

From the General Manager's Address 64th Annual Meeting

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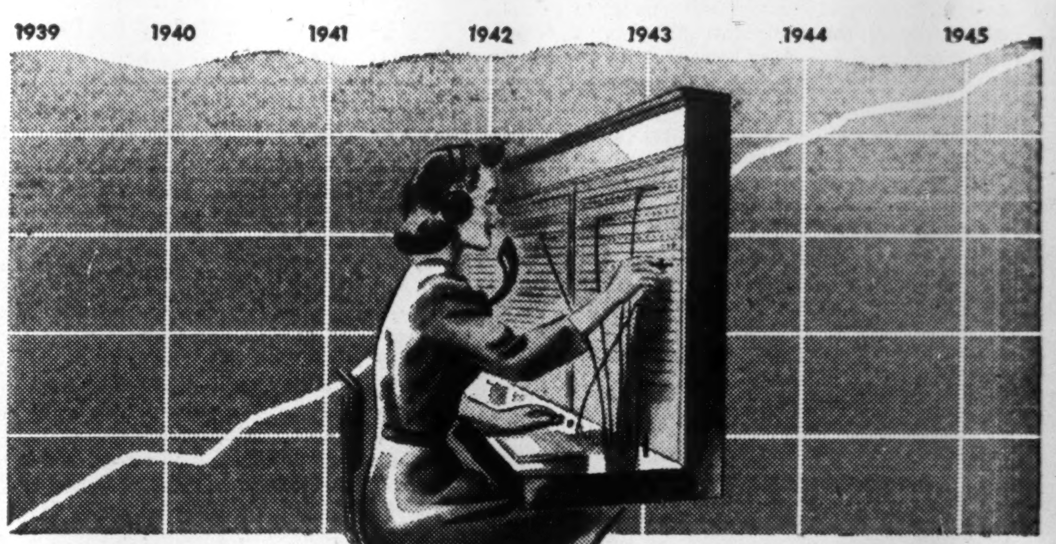
THE TORONTO GENERAL TRUSTS CORPORATION

TORONTO, MONTREAL, OTTAWA, WINDSOR, WINNIPEG, REGINA, SASKATOON, CALGARY, EDMONTON, VANCOUVER

the Long Distance Load has more than DOUBLED . . .



DAILY long distance telephone calls in 1939 (as war broke) were 60,000.

In 1945 (as war ended) they had mounted to 127,000 a day. And the volume is still rising!

Because of wartime shortages, we have not been able to provide the additional circuits and equipment we need. Construction now under way will relieve that situation shortly. We must, meanwhile, continue to ask your help.

When you place a call . . .

FIRST, give the operator the name of the distant city : : :

THEN, the telephone number of your party : : :

THEN, when the operator asks it, your own telephone number.

(Please avoid unnecessary details, especially if you know the distant number.)

If you don't know the distant telephone number, please make a note of it for future use when you hear the operator repeat it.

This is one way YOU CAN HELP PROTECT LONG DISTANCE IN THE INTERESTS OF EVERYBODY'S SERVICE

Can We Afford This Sacrifice?

When the auto salesman starts calling on his prospect list this summer he is likely to discover that there has been a vast change in buying habits since 1939. Old customers in the medium salaried class who used to buy a new car regularly every other season may have to be convinced that they can afford a new vehicle after waiting five years. And purveyors of radios, furniture, rugs, refrigerators and a score of other goods in the semiluxury class are going to meet the same resistance, because the "surplus" money that used to be available for such purchasing now largely goes to Mr. Ilsley and to meet the higher cost of necessities.

The story of what has happened to the $5,000 a year man since 1939 is told on page 13 of this issue of The Financial Post. Before the war he was able to meet his essential needs, food, clothing shelter, etc., for well under $3,000 in most parts of Canada.

To provide those same necessities over $4,000 must be spent today, and with his taxes up from five to ten times from pre-war it does not take a magician to discover where the balance of his present salary goes. To put it another way, where the $5,000 a year citizen had well over $2,000 left for such things as automobiles, travel, rugs and even necessities like insurance and pension fund in 1939 he now has less than $1,000. Many of the semiluxuries, too, like the food and shelter he must provide, would cost him much more than pre-war if he could get them.

The fact that there are now almost twice as many Canadians earning $5,000 a year as there were in 1919, and the same proportion would hold for the $3,000 and $4,000 citizens too, makes no difference. Sharply higher taxes and an increase of more than 20% in the bare necessities of life has drained away the bulk of the surplus purchasing power of the medium salaried classes.

Not only is there a direct threat of the loss of one of our most important markets for durable and semiluxury goods, but we also risk losing a vital testing field for the introduction of new goods.

It was the $5,000 a year man who bought the first commercial automobiles, the first radios, the better houses and the better furniture. The market he provided permitted the manufacturer to get into larger and lower cost production, to open a broader mass market, and thus new work creating industries were established and expanded. If the wartime sacrifice of the salaried man's standard of living is to become permanent, then the whole country loses with him.

The Farmer and the Income Tax

The Alberta Wheat Pool Budget, a pamphlet issued by the Alberta Wheat Pool, says that The Financial Post is the "guilty one" responsible for the income collection drive among farm communities of western Canada.

Full tribute to the powers of The Post is paid as follows:

> "The series of articles The Financial Post printed on the subject of the farmers and income tax were circulated from coast to coast and widely commented upon by daily newspapers. The direct result was that a flock of income tax officials have been circulating throughout the farm areas of Canada, and particularly the prairie provinces."

The Budget tries to convey the opinion that this was nefarious work on the part of The Post. If so, then enforcing any law is nefarious. In the scores of editorials it has published on income tax, The Post has made it very clear that the authorities could only justify this heavy levy on the people of Canada if all shared equally. To quote from one of those editorials

> "Nothing could be more destructive to our national unity, more damaging to the achievement of our national aims than public suspicion that some part of the community is not carrying its fair share of the cost of government, social services and all the other things that public opinion currently believes it wants.
>
> "No matter how good the theory of income tax, no tax is any good unless it wins public compliance, can be complied with reasonably easy, and in the last resort can be effectively enforced."

The Post was furnished with evidence that strongly pointed to nonenforcement of the Income Tax Act in the agricultural industry, evidence later confirmed by official disclosures at Ottawa. Attention was drawn to this situation and the so-called "drive" followed. Had not the income tax authorities been falling down on the job previously no special "drive" would have been necessary.

Whether the scale and the plan of payment of farmers' income tax is fair is another matter entirely. Judging from the criticisms from rural groups and leaders quite likely substantial revision as well as clarification is necessary. But the proper way to deal with a situation like that is through Parliament.

By sitting back and not even attempting to enforce the law, the authorities were only encouraging the suspicion that they were playing favorites in a matter where it is imperative that there be none.

Need Leadership in Food Drive

"Voluntary efforts will only achieve maximum results if they are properly directed," stated Prime Minister King in his nation-wide appeal to Canadians to tighten their belts to aid starving Europe. In that sentence Mr. King stresses both the chief need and the chief weakness of the campaign he is sponsoring.

There must be an effective organization headed by some national figure, in other words real leadership, if Canadians are going to make a worthwhile contribution in the present crisis. So far that leadership and unified organization have been lacking. In fact the boost in wheat acreage of which Mr. King boasted in his public statement this week, actually was made by western farmers in the face of contrary advice from Ottawa.

At this season of the year when food production is naturally low and with most carryover stocks abnormally depleted, it is going to be difficult to accumulate much surplus food in Canada over and above our already heavy commitments. But the need is desperate and a real effort must be made.

Inspirational leadership and an effective direction of the campaign are vital. Mr. King might well follow the example of President Truman who has persuaded an outstanding relief figure, Herbert Hoover, to head up his national committee.

For More Builders

For the third time in 25 years of successive building crises, construction industry labor and management representatives have conferred in Ottawa. The conference, as in 1921 and 1941, has been fruitful.

On the negative side, the conference gave no clear call to hold the wage line against still rising costs of construction. It did, however, indicate that the building trades may not take full advantage of scarcity of their workers in rating their wage applications. Moderacy of the conference pronouncement on wages may tend to curb demands of the building trade locals when wage contracts are debated across Canada in the next few weeks.

Biggest accomplishment of the conference was acceptance, by labor as well as management, of principles basic to major increase in recruitment and training apprentices. This admittedly is agreement only in principle—as in the case of wages, implementation by local contractual agreement remains to be threshed out. But the conference agreement may lead quickly to enrolment of several thousand boys a year instead of the present paltry rate of induction in hundreds.

The move to expand building labor training is long overdue; if it had been launched in the late 1930's there would not be the lack of bricklayers, carpenters, plasterers and the rest, now hobbling housing and building projects across Canada.

Acceptance by conference labor leaders of a training target automatically involving higher apprentice wages and higher ratio of apprentices to mechanics—though no shortening of the training period—is hailed in construction management quarters as new indication of labor's responsibility and readiness to serve. If the coming local agreements on wages and training actually put the conference principles into effect for 1946, then all Canada will be ready to agree with that view.

Anticipated price-wage ceiling boosts for building supply factories can hardly fail to increase building costs, already 50% above 1939's admittedly depressed level. If sharp increase in building wages accompanies any such rise in material prices, building costs might easily climb another 10% or 15%. If we are to control or modify this very real threat of spiralling property values and building costs, building labor must put forward only modest wage demands this spring.

These WAC Bonfires

Charges of destruction of serviceable and needed equipment are levelled at War Assets Corporation by the Winnipeg Free Press. At the bottom of this page is reprinted the report of a Free Press investigator on the scrapping of a large number of RCAF storage batteries. The Free Press intimates that these batteries were damaged deliberately so that they could be classed as scrap and that steps were taken to keep their destruction hidden from the public. These are serious charges and from a source that certainly cannot be considered hostile to the government at Ottawa. Unfortunately, too, such charges have not been isolated but at one time or another have been heard across the Dominion.

Admittedly WAC faces a difficult job in disposing of literally billions of dollars worth of equipment as economically as possible, and without serious dislocation to the established trade. Admittedly, too, the average citizen is not a judge of the real value of the surplus equipment being handled. A training plane may have cost $100,000 to build and yet for peacetime use it may be dear at one-tenth this figure. Again, a special piece of equipment may be cheap at $75 to the man who can make use of it, but a few thousand would saturate the market and send the price tumbling down to a dollar or two.

If, however, War Assets has had some good reasons for some of its criticized actions, it has been too slow in offering them. Certainly those obtained and published by the Free Press leave much to be desired. Either they are frankly unconvincing or are at such variance from the findings of the special investigator as to sow the suspicion that something is being covered up.

These supplies that have been entrusted to WAC for disposal have been purchased with the hard earned money of the taxpayer. In this era of shortages and high taxes he is in no mood to see them go up in smoke if any use can be found for them.

Give the Tourist a Break

Bill 90, otherwise known as the Tourist Camp Regulation Act, 1946, came up for its first reading in the Ontario Legislature last week. This, together with the appointment of Col. G. A. Welsh as Minister of Travel and Publicity, lends a happy prospect to tourist business expansion in at least one province. No longer are the interests of an important industry entrusted to a mere bureau annexed to the Provincial Treasurer's office.

Bill 90 is the third such move to establish and to enforce decent standards in bed and board provided for the nation's guests. Last year British Columbia's Travel Bureau, operating under the Department of Trade and Industry, led the way with a code of minimum standards and a system of licensing for tourist establishments. Nova Scotia also has provincial standards.

As suggested by some replies to The Financial Post's current question-of-the-week on page 16, enforcement of minimum standards is an important instrument for the overall improvement of the tourist business in Canada. Alone, however, it cannot be expected to do the job successfully. Every bit as important is a long-range education program. Better than telling a man what to do because he must, is the practice of showing him what to do because it will benefit him. That's what is being done this winter under the University of Toronto extension department, at Canadian Vocational Training Schools in Toronto and Montreal, and in several short courses in other provinces.

This is not to suggest that every hotel, restaurant and resort operator has to be either talked or forced into compliance with minimum standards of sanitation and comfort. It must be recognized, however, that, for every top-grade public host serving the nation's guests, there are many dragging down the general standard. These get the passing dollar, true enough, but they make no investment in tourist goodwill. They are directly responsible for jeopardizing the future of one of Canada's biggest pre-war businesses.

Stop Me If —

A doctor had an urgent phone call from a businessman, saying his small son had swallowed his fountain pen.

"All right, I'll come just as soon as I can," the doctor assured him. "What are you doing in the meantime?"

"Using a pencil."

• • •

The sweet young thing drove her car along the highway at 65. A motorcycle cop waved her to a stop. "Well, well!" he grinned broadly, "if it isn't the same cutie I caught speeding through here last week, and turned loose. Remember?"

"I'll say I do, you big bruiser!" snapped the gal. "But this time—I prefer going to jail."

Post Scripts

Heads Big Drug Firm

Many members of the pharmacy profession have left it to make distinguished contributions in other fields, but William Alexander Leslie, Phm.B., D.F.C., has not only stayed with his profession but through his association with Ayerst, McKenna & Harrison has advanced rapidly to a prominent position in Canadian business. His recent appointments as president of Ayerst, McKenna & Harrison, Montreal, comes just 12 years after joining the company in 1934.

MR. LESLIE

Leslie's rapid advancement probably can be attributed to his sound professional and business background. Although a native of London, Ont., Leslie's first encounter with the drug business was as an apprentice with E. A. Legge, well-known Toronto druggist. After graduation from the Ontario College of Pharmacy he joined the Rutherford Drug Stores and was manager of this chain when he left to join his present firm.

This move meant stepping from one managerial position to another, since he took over as manager of Ayerst, McKenna's Toronto office. During the next eight years, as great strides were being made in the production and development of pharmaceutical and biological products, Bill Leslie became widely known to the Ontario drug trade. Over six feet tall, with well-groomed grey hair, his appearance and sincere businesslike manner were particularly well suited to the representative of a progressive but unsensational drug house.

Since his first appointment at head office in 1942 as manager of the special sales and export division Leslie has successively held the positions of assistant general manager, vice-president and general manager. Now as head of the firm he still retains the position of general manager. Coincidental with his progress since first joining Ayerst, McKenna & Harrison is the growth of the company. During the last five years company records show that the number of employees has tripled and sales have doubled. Much of this increase has come from the development of the export field, which was Bill Leslie's first responsibility at head office.

Born in 1896, Leslie went to school in Ontario and in World War I he joined the RCAF. He won the D.F.C. as a night bomber when that form of warfare was still in its infancy. During the last war as manager and an executive of his company he played an active part in starting and increasing penicillin production in Canada.

• • •

Rhodes Scholar Labor Minister

It is about 40 years since the first Rhodes scholar from Canada went to Oxford. In that time Rhodes scholars have entered many walks of life in the Dominion. There are a good many in the universities and schools. Some are in business, some in medicine, others in the civil service, and perhaps the biggest group in law. Logically this last group has made the biggest contribution of Rhodes scholars to the ranks of politics and public service.

MR. SMITH

It was the hope of Cecil Rhodes when he worked out his plan that the men who benefitted from his scholarships would become leaders in the countries to which they returned. In a moderate way the founder's hope has been realized. One of the most recent recruits to the cause of public service is Cecil Rhodes Smith, Winnipeg, named after the founder of the scholarships and now provincial minister of labor in the Garson Government of Manitoba.

Smith was sworn in as a cabinet minister on Feb. 15, on the eve of the opening of first session of Manitoba's 22nd Legislature, elected last Oct. 15. The provincial labor department, created in 1932, never had a full-time minister until John Bracken formed his coalition government in 1940, and then only for the next two years, when Mr. Bracken entered federal politics.

Labor interests in Manitoba have been pressing for a permanent appointment. The war, they have stressed, doubled Manitoba's industrial output and almost doubled the ranks of its industrial workers. With the war ended there is doubt about what the Dominion intends to do about continuing the present national labor code. If it is dropped a provincial labor code will probably replace it. Whatever happens, it is a problem for the new labor minister.

Smith's appointment has been favorably received by organized labor as it also has by veterans of both world wars. A veteran of the first war himself, he enlisted in Winnipeg in 1916 with the Western University Battalion and when overseas transferred to the 8th London Regiment. Knocked out in the Battle of the Somme, after a stretch in military hospitals he came back to Canada in August, 1919.

Last fall Smith was elected president of the Manitoba Command of the Canadian Legion. The Command takes in all Manitoba and extends as far east as White River. About one third of its present membership is in Ontario.

Smith's parents came from Ontario to Manitoba in 1885 and settled on a farm in the Portage Plains. He was born at Portage la Prairie in 1896 but came to Winnipeg when very young. He graduated from the University of Manitoba and was chosen as Rhodes scholar from the province in 1919. He went to Oxford in 1920, attended Queen's College, specialized in history and jurisprudence and obtained his B.C.L. degree.

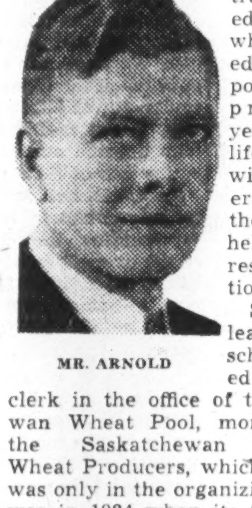
In public life he is comparatively young and has sat in only one Legislature. First elected in 1941 as one of the Liberal members for Winnipeg, he was re-elected last October. Before his election to the Legislature he was six years an alderman in the city council of Winnipeg.

• • •

Up Through Grain Trade

About the time Florent L. M. Arnold was born the company of which he has just been elected vice-president and general manager started business on the Winnipeg Grain Exchange. Although owned in large part by James Norris, as colorful a figure as ever stepped on a trading floor, and whose interests are largely in the United States, the Norris Grain Company which operates from Winnipeg is a strictly Canadian concern. It operates under a Dominion Charter issued in 1909 and is classed as one of the leading shippers and exporters of Canadian grain.

Arnold is one of a group of young men in the West who grew up with the grain business. His career with the private grain trade only started on March 1 when he assumed his present position, all his previous 21 years of business life having been with the co-operatives. With them he has held a series of responsible positions.



MR. ARNOLD

Shortly after leaving high school he started work as a clerk in the office of the Saskatchewan Wheat Pool, more accurately, the Saskatchewan Co-operative Wheat Producers, which, at the time, was only in the organizing stage. This was in 1924 when its field men had completed a canvass for a 50% sign-up of contracts with farmers preparatory to starting actual operations. From the routine work of a clerk in the Regina office, young Arnold became responsible for more important assignments. For six years he worked through the various phases of the operations of a large elevator company including accountancy, purchases and sales, and statistical work.

Arnold came to Winnipeg in 1930 to handle the futures accounts of Canadian Co-operative Wheat Producers Ltd., the selling agency for the provincial pools. Eighteen months later he returned to the Saskatchewan Pool Elevators as floor trade and salesman in their Winnipeg office. This position required him to become a member of the Winnipeg Grain Exchange.

Arnold might best be described as a typical Canadian, his immediate ancestry being of Scottish, English, Irish and French extraction. On his father's side he is French and English on his mother's Scottish and Irish. His paternal grandfather spent most of his life as an officer in the French Army, emigrating from France to western Canada shortly after the Franco-Prussian War and settling at Regina, then "Pile-o' Bones," in 1880. His father served as a major in the Canadian Army in the First World War.

Next to his business and his family, Arnold's chief hobbies are fishing, dogs and gardening.

—*Cartoon by Grassick.*

HOW THAT PUP HAS GROWN SINCE 1940

Batteries Damaged to Sell as Scrap?

WAC Charged With Destroying Saleable and Needed Equipment

A "special investigator" of the Winnipeg Free Press has been looking into specific sales of surplus stores by War Assets Corporation. Below is a digest of his report on the disposal of storage batteries to a Toronto salvage firm.

Not long ago I noticed several truckloads of new storage batteries being unloaded at the salvage yard of Solway and Sons in Toronto. Most of these batteries were still in their original packing cases and all of them carried a red RCAF "produce" card which means scrap.

The batteries had been in storage at Number 1 Equipment Depot and apparently had been made into scrap by the RCAF by the simple process of smashing in one of the filler caps with a hammer and then marking the red card "broken cap." Since all of the approximately 1,000 batteries were smashed in the same end filler cap the processing for scrap was probably done by laying them in rows and going down each row with a hammer. Even with a broken filler cap most of the batteries were still usable, and could be sold at prices ranging from $10 for a heavy duty automobile battery to $50 for a 24 volt aircraft type. The batteries had been shipped dry and had never been filled with acid by the RCAF. The plates and separators were quite unused.

I tried to buy some of the batteries from Mr. Solway he said that his contract with the government expressly forbade any reselling of goods sold to him as scrap.

Later, he told me that he used to remove the lead from the batteries and sell the cases for re-use but this was stopped by the government. They used also to carry the pieces, after the batteries had been broken up, to the city dump, but this was stopped on orders from War Assets, who said that all scrap had to be burned right in the yard. They had found that citizens snooping around the city dump could tell that the broken battery cases had never been used. He said further that several people had offered to buy the batteries at $5 each, but he would not risk breaking his contract, even for a profit of nearly $5,000. (Cost price of 1,000 batteries: 25 tons at $4 a ton—scrap price—is $100. Selling price of 1,000 batteries at $5 is $5,000; or a profit of $4,900.)

Over a month later, I found the batteries had been broken up. The yard man said an inspector from War Assets had come to supervise the destruction in person, and that when Mr. Solway remonstrated with him saying that he had a market for the batteries, the War Assets man said there was no shortage of prospective buyers, but if batteries were to be sold to the public the Corporation would do it.

All the evidence indicates that these batteries were new, that they were mutilated by the RCAF to make them qualify as scrap, and that they could have ready sale to the consuming public for a gross saving to the government of nearly $5,000.

The Official Version

The Free Press gives the following report of the War Assets reply to the foregoing.

Information obtained from War Assets corporation gives this picture of the storage battery incident. A total of 444 storage batteries, owned by the Department of National Defence for Air at No. 1 Equipment depot were classified as scrap. According to the RCAF, these had either been broken in transit or used beyond repair.

Having been classified by the RCAF as scrap, the batteries were disposed of by War Assets Corporation as scrap. In June, 1945, 57 were sold to one dealer. In Oct., 1945, 314 were sold to Solway and Sons, Toronto, and in January of this year, a further 73 were disposed of to Solway. The important fact in this deal, says the corporation, was that this equipment was not in any sense usable and therefore sold as scrap.

What Others Are Saying

Editorial of the Week

Rewrite Whole Income Tax

Winnipeg Free Press

The income tax law, amended and re-amended over and over again for many years, is now in such a state of confusion that even the most sincere officials and the best lawyers cannot always understand it. The wide-open discretionary powers of tax officials can be and actually have been erroneously used, sometimes for the benefit of taxpayers, sometimes to work injustice on them. The income tax department's system of secrecy, at least in one case, has been stretched beyond the powers of the law to prevent a taxpayer finding out why and how he was being taxed.

Now, when some of the abuses of the present system are brought to the courts they are confirmed by the courts' rulings. Many other abuses cannot reach the courts because the ordinary taxpayer cannot afford to take them there. The only remedy lies in a rewriting of the whole law, now long over-due.

The Senate is engaged in a vigorous and penetrating study of the law and doubtless will make recommendations for its revision some time this year. The House of Commons has shown little or no interest in the subject. The Government has postponed the issue until the problem of Dominion-provincial relations is settled, though the abuses of income tax administration do not touch this problem. After our courts have pointed out these abuses there can be no further excuse for postponing the task of making the income tax law fair, invariable and efficient.

Other People's Views

COMMUNISM IS A THREAT TO CANADA'S PEACE flatly asserts the **Orillia Packet and Times.** "The number of Communists is not large. But they are both active and aggressive, and their influence on the course of events is out of all proportion to their significance. The spy investigations at Ottawa reveal that there are in his country persons in places of responsibility who are prepared to betray their trust at the behest of a foreign power. In other words, their loyalty is to a foreign country. Even more serious and menacing is the manner in which the Communists have wormed their way into the labor organizations. Their object is not to bring about a settlement, but to create bitterness by prolonging the strike as much as possible."

MORE GOVERNMENT ECONOMY is seen by the **Windsor Star** as a result of a minister speaking "out of turn." Hon. J. J. McCann, Minister of National Revenue told a home town audience that substantial reductions in government expenditure and taxation were to be expected. Despite immediate warnings from Ottawa that such predictions must not be taken too literally, the Star declares: "The Opposition, clamoring for rigid economy and lower taxes, will not let his words be forgotten. The Government is doubtless annoyed at what has taken place, but among the public generally, it will be welcomed. It is likely to provide the spur that will keep the Opposition riding hard on the Cabinet throughout the coming session. That is necessary, if we are ever going to get back to a sane level of public expenditure."

DRESS SUITS at college functions are frowned upon by the **Farmer's Advocate.** They are a symbol "of those extra-curricular follies that have crept in to make higher education outrageously costly, as compared with former times. University social functions have been getting thoroughly out of hand, during the last 10 years. Big university dances must now be held in the best hotels. The budding intellectuals must have rooms, and they get them, while travellers wait in the lobby till well past midnight or seek shelter in tourist homes or private billets. Members of faculties shut their eyes to excesses of all kinds, little realizing that the behavior of student bodies is undermining confidence and alienating public support."

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March 23, 1946

Labor Roundup

Wage Control Order Faces Severest Test as Metal Miners Threaten Strike

— Next Three Months Most Critical Period for Canada

— Montreal Textile Strike Threatened Next Month

— Coal Strike in U. S. May Hit Steel Industry Anew

From Now Till June

Canada's labor picture can be expected to reach a critical stage. Already the rumblings of impending strife are making themselves heard and even though they are still in the distance, they have an ominous note. Organized labor is going after higher wages and the tone of announcements following union executive meetings is, to say the least, emphatic. Steel, auto and electrical workers have committed themselves to a campaign for $2 a day increases, with a 40-hour week and now the International Mine, Mill & Smelter Workers' union has presented its wage demands for a minimum wage of $1.10 an hour, which would mean an increase of at least $2.30 a day, with corresponding adjustments for other mining trades.

The miners' announced decision to call strike votes if their demands are not met, without the formality of going through the National War Labor Board for approval of their proposed wage schedules, introduces a new departure in union tactics. It is this feature that makes the I M M & S W announcement rather startling at first view, because the approach is contrary to all accepted methods of collective bargaining. Those who are closest to the miners say that, if strike votes are held, the move will be enthusiastically supported.

Most of the other unions planning a drive for wage increases have stated their intention of going through prescribed channels, which means it should be around June before any danger of strikes in the steel, electrical and automobile industries becomes imminent. But the miners, by ignoring the NWLB may be able to bring their case to a head within the next thirty days.

Just what will happen if they do, no one is prepared to guess right now. An Ontario regional labor board official expressed genuine relief that he didn't have to concern himself too greatly with the problem.

"Happily," he said, "the mine owners are national employers and that means the Federal War Labor Board will have to deal with the situation when it arises."

Whatever happens, Canada's Wartime Wages Control Order will be given its severest test since it came into effect in Dec., 1943. The order expressly forbids wage increases except by authority of NWLB or one of the provincial boards. It provides a fine of "not more than $20 a day" for every employee who strikes or takes part in any strike "to obtain an increase in a single rate or range established under this order."

* * *

The Big Difference

between campaigns for higher wages in Canada and the United States lies in the fact that wage controls are still in effect in this country and not across the border. The U.S. permits wage increases if they are arrived at through collective bargaining, but will permit compensating price increases only if the industry concerned can prove that relief is needed. That is one reason why the recent wave of strikes in the United States resulted in almost uniform success. The strikes were all legal and wage increases were not contrary to law.

War Labor Board officials, both national and provincial, are unanimous in their expressions of admiration for the way labor and management have behaved in Canada up to now. Since the wage control order went into effect nearly three years ago, the government has not had to take action once to deal with illegal strikes, as far as the wage angle is concerned.

"The new CCL decision to make wages a major issue in their collective bargaining makes it look as though, at long last, a rift has developed in Canada's excellent pattern of labor behavior," one official told The Financial Post. "I wouldn't even want to guess at what may happen if the demands are pressed, but I do believe the need for controls is more acute than it ever was. The respect of workers and employers alike for our laws and institutions was one of the greatest strengths of this country in wartime. That respect may avert trouble yet."

* * *

Textile Workers

who are threatening a strike in Valleyfield, Que., next month, are in an entirely different category from the unions which have adopted the $2 a day wage increase policy. To begin with, United Textile Workers of America is an AFL union. It claims 18 locals in Canada, covering 12,000 workers. Half of them are employed by Dominion Textile Co. in Valleyfield and Montreal, where the strike action is contemplated. One fact which is bound to strengthen the union membership's determination to strike in support of their demands for a 15c. hourly increase is that wages in the textile industry generally are far below the average for manufacturing and that wages in Quebec are lower than in almost any other province.

Kent Rowley, Canadian director of the union, outlined the UTW demands at a conference of delegates in Toronto last week. The union is asking a general wage increase of 15c. an hour, a minimum wage of 65c., two weeks vacation with pay, a 40-hour week, payment for statutory holidays and accident and sickness insurance coverage for workers.

* * *

The Coal Strike

which still looms in U.S. for Apr. 1 is causing considerable concern in industrial quarters. If the strike is at all prolonged it can create a situation just as critical as that caused by the steel strike. Steel mills and railroads both depend on coal and will be the first to feel the effects of a UMW strike. U.S. opinion is that the strike could be easily averted if it were not for the government's wage-price policy. Coal operators are not likely to grant a wage boost big enough to match John L. Lewis' demands unless they in turn are permitted to raise prices. OPA, on the other hand, has said, in so many words, that it won't permit a price increase until wages have been raised. If this attitude continues, it is possible the deadlock in coal might last all summer, setting industry back farther than ever on its way to peacetime production in quantity.

BUSINESS THIS WEEK

	FEB.	JAN.	DEC.	NOV.	Year Ago
THE FINANCIAL POST PRODUCTION INDEX (1)	....	189.3	193.0	200.3	239.1
GOVERNMENT FINANCE (millions of $)					
•Dom. war expend.	91.0	105.0	141.1	137.6	244.6
•Dom. total revenue	190.3	233.5	152.4	174.1	140.1
•Dom. total expend.	218.0	231.6	255.2	316.0	284.3
MERCHANDISING					
Dept. store sales index no. (1)	....	136.9	279.6	258.9	122.5
•Retail sales index no.	....	160.3	256.1	213.1	143.0
Wholesale sales index no.	....	217.5	195.9	221.3	182.8
Country store (% change pr. yr.)	....	+9.1	+6.2	+9.3	....
FINANCE					
•Dividend payment index (5)	141.0	140.3	140.2	140.1	133.3
Bank debits (1)	....	227.8	206.1	283.5	192.7
Bank deposits index (1)	....	255.0	258.1	239.2	220.5
Money supply (millions $)	....	....	7,180	7,261	6,168
NEWSPRINT % OF CAPACITY					
•Production ratio	92.3	91.2	79.6	82.7	71.7
•Shipment ratio	85.8	87.9	75.5	82.3	65.0
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S. index)	....	191.0	167.4	156.2	191.0
Cars (D.B.S. index)	....	156.3	143.2	138.2	156.3
COST OF LIVING					
D.B.S. index	119.9	119.9	120.1	119.9	118.6
EMPLOYMENT INDEX, D.B.S.					
All industries	....	167.9	173.2	171.2	180.4
Manufacturing	....	179.9	184.2	186.3	212.7
Payrolls (June 1/41=100) (2)	....	128.1	139.3	139.2	137.6

RAILWAYS—(000's omitted)	1946-45	1945-44	1946-45 Jan. 1 to date	1945-44 Jan. 1 to date	% Change
•Carloadings (week Mar. 9)	68.4	69.3	651.1	647.9	+[illegible].5
•C.P.R. gross rev. (Mar. 14)	5,725	5,718	57,332	58,042	—1.2
C.N.R. gross rev. (Jan.)	30,901	32,568	30,901	32,568	—5.1
C.N.R. net rev. (Jan.)	2,276	3,854	2,276	3,854	—40.9
C.P.R. gross revenue (Jan.)	23,309	24,090	23,309	24,090	—3.3
C.P.R. net revenue (Jan.)	1,218	1,662	1,218	1,662	—26.7
IRON AND STEEL (000's omitted) (Jan.)					
Pig iron production (tons)	143.7	156.0	143.7	156.0	—7.9
Steel production (tons)	244.6	268.7	244.6	268:7	—9.0
CONSTRUCTION (000's omitted)					
Contracts awarded (Dec.) $	25,787	12,730	409,033	291,962	+40.1
Building permits (Jan.) $	13,540	5,394	13,540	5,394	+51.0
Cement prod., bbls. (Dec.)	306.1	190.0	8,488.5	7,190.9	+17.7
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Jan.)	2,240	2,068	2,240	2,068	+8.3
Flour exp., bbls. (Jan.)	1,139	840	1,139	840	+34.4
Wheat exp., bush. (Jan.)	15,248	5,163	15,248	5,163	+195.3
Cattle sales (Jan.) (4)	157.3	166.3	157.3	166.3	—5.1
Hog sales (Jan.) (4)	514.3	830.2	514.3	830.2	—38.8
SEA FISHERIES (000's omitted)					
Catch, cwts. (Nov.)	967	836	10,776	7,914	+36.1
Landed value (Nov.) $	2,349	1,712	45,699	27,186	+69.0
NEWSPRINT (000's omitted)					
•Production, tons (Feb.)	308	240	637	505	+26.1
•Exports, tons (Feb.)	285	217	602	449	+34.1
MINING AND OILS (000's omitted)					
Coal prod., tons (Dec.)	1,550.9	1,553.1	16,456.9	17,026.5	—3.4
Gold rec. (fine oz.) (Jan.)	248	233	248	233	+6.4
Petroleum prod. (brl.) (Dec.)	666.9	879.1	8,569.2	10,099.4	—15.2
ELECTRICAL POWER OUTPUT (000,000 omitted) (Jan.)					
Total monthly kw.h.	3,429	3,423	3,429	3,423	+0.1
FOREIGN TRADE (thousands of $)					
Imports (Jan.)	140.3	129.7	140.3	129.7	+8.1
Exports (Jan.)	189.1	230.5	189.1	230.5	—28.8
FINANCE (millions $)					
Bank debits (Jan.)	5,991	5,070	5,991	5,070	+19.1
Bond sales (Jan.)	186.7	194.4	186.7	194.4	—4.1
•Life insurance sales (Jan.)	81,948	58,010	81,948	58,010	+41.3
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Dec.)	3.1	2.6	39.0	35.3	+10.5
Cotton consump., lb. (Jan.)	14.1	13.1	14.1	13.1	+7.7
Cigarette cons. (no.) (Jan.)	1,491	1,159	1,491	1,159	+28.6

(1) Base period 1935-39=100.
(2) All industries
•New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, est.

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WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

First Ansco Expansion

outside the United States, is a plant to be built west of Toronto on 16 acres. Ansco of Canada Ltd., is a subsidiary of General Aniline & Film Corp., New York, longstanding American producer of photographic materials in its American Ansco Division. George H. Giles, manager of the Canadian company, announces the new plant will provide permanent processing facilities, with particular emphasis on color film work.

* * *

Mack Trucks

of Canada Ltd., subsidiary of Mack Trucks Inc., New York, expects to start construction on a new building near the John Inglis plant in Toronto soon; to move its sales and service department and its Canadian head office into the premises by September. The new structure will give the company 20,000 sq. ft. of floor space—nearly double its present premises.

* * *

Pressure Cookers

now taking Canadian kitchens by storm will soon be available in a variety of makes, shapes and sizes. National Pressure Cooker, Wallaceburg, Ont., first on the market, is planning a larger model Presto Cooker, selling for $30. Aluminum Goods Ltd., Toronto, aims to put a four-quart size stamped aluminum model on the market within three or four months, depending on metal supply. Samples of a casserole type made in Chicago by Eko Products Co. are being shown; and Sully Brass Ltd., Toronto, has developed a 14-quart size of cast aluminum, designed for cooking whole dinners and for canning use. The former will sell for $21 with two special lids; the latter for $36.50.

* * *

"Navy Type GMG"

was the wartime tag tied to new dielectric panel boards produced by the U. S. Navy for use in electrical equipment where arcing was a hazard. Employing woven glass fibre as a base for melamine plastic, the new panel boards were produced in sheets up to 3½ in. thick, tubes, and square or round rods. Wartime uses included terminal plates, supports, blocks for generators and motors, connector strips, brush tube caps for insulating collars, wedges and washers in all electrical power, lighting, fire control, radio, radar and sonar applications aboard ship. Many peacetime uses are anticipated where maximum heat and dielectric resistance are essential.

* * *

Skiltools Ltd.

a subsidiary of Skilsaw Inc., Chicago, manufacturers of hand-size tools for construction and automotive trades and industry, is now being set up in Canada, managed by William H. Ferry, Chicago; authorized capital $50,000. Headquarters in a new Toronto building, are due to be equipped and operating by April 1. Manufacturing will still be done in the United States, but full repair service will be handled here, and so far as possible, accessories will be of Canadian origin.

* * *

Plant Rebuilding

by Canadian Gypsum Co. Ltd., Weston, Ont., is well under way on site of the former plant, burned 13 months ago. The new building, single-story, will contain 35,000 sq. ft. of floor area, will be of steel frame, sheet metal clad, with gypsum roof. Designed solely for production of mineral wool, it will have considerably greater capacity, with installation of two bigger cupolas—one for making granulated, one for batt wool. The company hopes to be in production by third quarter of the year.

* * *

Plastic Plates

instead of metal electrotypes, are being recommended by the newly established Para-Plastic Division of Rapid Grip & Batten Ltd. The plastic plates, molded from vinylite, are said to have a greater affinity for ink than common metal plates and so produce a finer printing job with actual saving in ink. They are one eighth to one tenth the weight of common electros, sell for the same price. The plastic process is confined to duplicating original engravings and cannot be used for original plates.

* * *

Remote Control

of moving parts in farm machinery, valves and stoker dampers, production machinery, etc., is provided by Teleflex Ltd. mechanical controls. Precision - made, the single-line controls were originally designed for exclusive wartime use in air and naval craft of English make.

* * *

Firebaugh Special

a 1946-model three-wheeled delivery truck manufactured by Toolcraft Manufacturing Co., Huntington Park, Calif., is expected in Canada soon. Weighing only 600 lb., the truck can handle half-ton payloads. It claims a top speed of 35 m.p.h., gasoline consumption of 60 miles per gallon. Wheelbase of 66 in. permits a turning radius of 14 ft. Over-all length of the tricycle truck is 92 in. Inter-plant transportation and pick-ups for markets, drugstores, garages, farms are likely jobs for the new truck.

* * *

Baby Carriage Handles

of plastic extruded tubing are made possible by a Canadian General Electric development in the polyvinyl chloride field. Tubing of the desired size to fit over a core of other material is immersed in a dilator solution, which causes it to swell. The enlarged tube is removed from the solution and slipped around its core, then shrinks back to its original size, tight. Other uses are found for the tubing in refrigeration equipment parts.

* * *

To Reduce Flicker

on fluorescent lighting tubes operating on 25 cycle current, is a clip-on louvre just marketed by a new Toronto lighting company, Admiral Electric Co. (Canada) Ltd. Made of aluminum, finished in baked white enamel, the louvre clips around tubes in the open-type fixture. The louvre to fit the 48-in., 40-watt tube sells at $3 and the smaller model, for kitchen fluorescent fixtures with 24-in. lamps, at $1.50. The big model has 50 deep, equi-spaced fins projecting vertically downward from the lamp to break apparent flicker and reduce glare.

* * *

"Magna-Scoot"

is a cast magnesium alloy kiddies' scooter, expected on the Canadian market in May. First of a number of widely varied designs under development by Dominion Magnesium Ltd. sales engineering department, the Magna-Scoot claims advantages over scooters of other material in light weight and durability. Simple in construction, it is all-magnesium except for three steel assembly pins, two rubber tires and rubber handle grips. A fly-casting fishing reel of the light metal (specific gravity of magnesium is 1.8 as against aluminum's 2.7), is another adaptation nearly ready to go into production.

* * *

Meter Mail Machine

discounts of 1%, effective in Canada for more than 20 years, are to be discontinued as of April. The Post Office Department is advising business firms, who have invested several hundred dollars in meter machines and who rent meter impressions at $96 per year, that discounts to them are being dropped because labor-saving attributed to metered mail is not commensurate with the discount rate. (This method of prepayment eliminates "facing up" and cancellation in the post office.) Also, effective April 1, metered mail will be accepted in street mail boxes.

CANADIAN INDUSTRIES LTD. paint and varnish division's proposed new $1.4 millions finishes plant in North York tp., near Toronto, will employ 150, make finishes for the automotive, industrial and retail markets. Construction is scheduled to begin May 1.

MONEY MATTERS

Reinvestment Problems

In the past few years many an investor has experienced a high degree of frustration as he sees his good old 5 and 6 percent securities called for redemption. What is he to do? Resign himself to the "sweet simplicity of the 3 per cents"— or strive in some way or other to maintain the income of which he now sees himself deprived?

There are probably more investors struggling with this problem at the present time than ever before in history. And by the same token, there has probably never been a greater need for sound investment counsel than there is today. For we are living in an era of cheap money and, as everyone knows, high yield and security seldom go hand in hand.

Careful Analysis

There is, of course, no ready-made solution. Each case is different; each investor must consider the problem of reinvestment in the light of his own particular needs. We can help you in a situation like this by making suggestions designed to meet your requirements—suggestions based on careful analysis and thoughtful discussion.

If you find it difficult to reach a decision on the investment or re-investment of funds you might find it helpful to take advantage of our advisory service. Between us, we should be able to work out a plan which is perhaps more encouraging than one might expect in view of current conditions.

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"It's something you girls shouldn't laugh at"

"Mother won't tell me what it cost," said Elaine to Cousin Edna, who was hooking up the exquisite dress. "But it's within the budget, you may be sure. Trust mother for that."

"Budgets sound unromantic, especially on a day like this," Mother admitted. "But we could never have given Elaine such a wedding unless we *had* budgeted. It's something you girls shouldn't laugh at. Dad and I began budgeting on our wedding trip. We had to . . . and we just got home with a few cents margin."

"Isn't it an awful bother, though?"

"We'd be more bothered and worried without it. No, it's simple. First, we always set aside the money for Dad's life insurance; that means we have no worries about the future. Then we figure on so much a month for living expenses . . . and *then!* . . . with what's left we can be extravagant. That's the great thing . . . to feel when you're spending that the essentials and the future are taken care of. Then you can spend with an easy mind."

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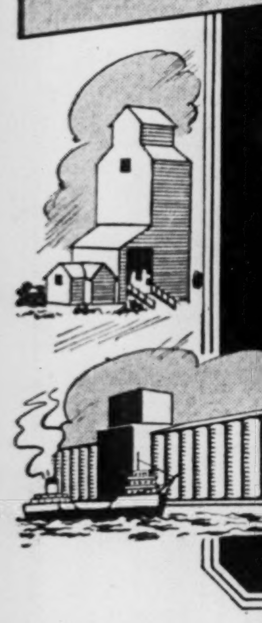

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TORONTO ELEVATORS
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TELCO
Grain Merchants, Shippers and Exporters
Also Manufacturers of
MASTER Feeds, Linseed and Soy Oils and Meals

Expect Increased Wheat Acreage And Speeding Up of Deliveries

From Our Own Correspondent

WINNIPEG — Prime Minister King's statement on the food situation, the grain trade believes, will satisfy western farmers who were looking for a lead from the Government in order to justify an increase in wheat acreage.

Weather for the last week has been unusually warm and the bulk of snow on the prairies has already disappeared. If this is the beginning of a long spring, conditions may be right for a very considerable increase in total seeded acreage, particularly in wheat.

Most cultivated land is allowed to lie fallow every third year, being cultivated throughout the summer with the dual purpose of killing weeds and of conserving moisture. Over much of southern Saskatchewan and Alberta a drier area than the rest of the country, fallowing every second year is the accepted practice, although not universally followed.

Big Acreage Ready

Most land fallowed the year before is put into wheat. Most of the land which has grown one crop after fallow, if it is to be seeded, is put into oats or barley, although a second crop of wheat is sometimes grown. In addition some land is seeded to grass each year, or to biennial clover, to be plowed up again and restored to grain production later.

Sometimes, when seeding conditions are favorable, and when a good supply of moisture has been received in the fall and in the spring, farmers cut down on their summer fallow program and risk taking off one more crop. Today there is an unusually large area of summer-fallowed land due to be put into wheat this year. Quite probably somewhat less than the usual area will be summer fallowed this year, so there is room for a considerable increase in wheat acreage if the season is early.

Areas, mainly in Manitoba, which in the past have specialized in producing malting barley, will go into wheat and farmers will seed feed varieties of barley instead of the malting varieties which do not yield so heavily. All varieties now command ceiling prices, so there is no incentive to produce malting varieties, especially as feed grades of barley are allowed to contain a considerable percentage of weed seeds, which consequently can be sold at grain prices.

Would Protect Livestock

Hon. James Gardiner, Minister of Agriculture, has urged that production of feed grains be maintained, so that Canada's production of livestock will not be endangered, nor is he willing to advise farmers to abandon orthodox practice in respect to summer fallow, to do which might produce somewhat more grain in 1946, but only at the expense of production the following year. Premier King has urged maintenance of feed grain acreage and has also urged farmers so to conduct operations as to produce the maximum returns over the next three or four years. That should leave everybody satisfied.

The principal importance of the Prime Minister's advice may be in satisfying countries abroad that Canada is doing its utmost to meet the present urgent need for food. When the price ceiling for Canadian export wheat was announced, it was stated that this country's restraint in respect to price was expected to produce good will abroad. Lately there has seemed to be some danger of the reverse being the case. Britiish comment has expressed the fear that Canadian price policy reduced the incentive of farmers to produce, and more especially to market their wheat, and there has been much criticism of the extent to which feed is fed to livestock in this country.

It is not usually understood abroad to what extent the feeding of wheat is a necessary and normal part of farming in this country. Now it should be clear that Canada, in addition to exercising restraint with respect to price, is also determined to produce the maximum possible supply of grain.

Arrangements indicated for income tax concessions with respect to wheat marketed during the next few months should bring off the farms some millions of bushels which farmers have been holding back in order to equalize their income tax returns from year to year. Some withholding has also been due to the fact that farmers have become bullish on prices, and expect prices next crop year to be higher. That is more difficult to overcome, but will be less important if it once appears that the new crop is away to a good start, so that grain now stored, if disposed of, can be replaced for holding, out of grain in prospect.

The next impediment in the way of getting grain off the farms may arise if farmers are able to get on the land early, in which case they may hesitate to interrupt such work for the purpose of hauling grain.

Experts Are Cautious On Co-operative Farms

From Our Own Correspondent

REGINA — Many difficulties are almost certain to arise, in the path of co-operative farming, a committee of experts, appointed in 1944, has reported to the CCF Government here. It speaks guardedly on the merits of the system, conceding it a chance of success, but stressing that it is still experimental and that its future cannot be forecast.

The biggest co-operative farm project was planned at Landis last summer, entailing 44 families, considerable land, co-operative agriculture and community living. The farming part is to begin this spring with the community living development to be done later.

At present time only six co-operative farms of various types are operating in Saskatchewan.

The committee said the application of co-operative principles to farming appeared possible and would likely progress as quickly as it was proven to be economically sound.

Co-operative farming, the report stated, offered the possibility of centralized administration for whatever size of farming unit or federation of farming units seemed economically or socially feasible. At the same time it offered decentralized control, not possible in the big profit corporation farm, and a degree of mechanization not possible on the ordinary family farm.

The report suggested that if there was "no need, there should be no co-operative action." The system, it said, may offer a greater prospect to veterans, young farmers, small-scale farmers and tenant farmers.

Meanwhile, the co-operation department is sponsoring the organization of a model co-operative farm for 20 veterans on an experimental basis on 16 sections north of Swift Current.

The investigating committee consists of a number of expert agricultural men, several of them of the University of Saskatchewan faculty. Only provincial government men on it are A. H. Turner, research services director of the co-operation department, and E. E. Eisenhauer, deputy reconstruction minister.

An intensive campaign to boost co-operative farming has been going on since early last year. Even the adult education branch under Watson Thomson, who resigned recently, had a hand in this.

Spillers' Calgary Flour Mill Sold to New Canadian Firm

The 2,500-barrel flour mill of Spillers Ltd. (an English company) has been purchased by Renown Mills Ltd. a newly-formed company The mill, which was closed in 1933 because of the curtailment of Canadian milling operations, is expected to be in operation by the middle of May.

R. J. Pinchin, president of Copeland Flour Mills Ltd. of Midland, Ont., is president of the new company, whose backers are closely identified with the interests owning Copeland Flour Mills Ltd. Also on the board of directors are J. W. Horsey, Alexander Hannah, R. S. McPherson, W. W. Parry, W. K. Whiteford and Clarence H. Smith.

Financing of the purchase was partly arranged through the Industrial Development Bank, Mr. Pinchin tells The Financial Post. Negotiations between the British owners and the Canadian interests were brought to a successful conclusion, due in part to the help of the Canadian Department of Trade & Commerce.

In spite of being closed, the buildings and equipment have been maintained in sound stand-by condition, and the plant will require only minor repairs, it is stated. Operating personnel will be recruited from Calgary and district if practicable, and exservicemen will be given priority. Approximately 10 apprentice millers will be employed, it is stated.

The mill, built in 1927, is equipped with the British "long" system of milling. This type of equipment has not been available in the western hemisphere since 1939, it is stated.

ST. LAWRENCE FLOUR MILLS common stock is being placed on a regular $1.60 dividend basis (previous rate $1.40 plus 50 cents extra). Stockholders of record March 31 will be permitted to subscribe to new shares at $24 a share in proportion of one share for each three held. Purpose of new issue is to provide additional working capital.

No Profit Change To Flour Millers From New Orders

No change in millers' profits will result from 10% reduction in wheat for domestic flour, representatives of the industry tell The Financial Post. As they receive rebates to permit sale of flour in Canada at ceiling prices, any excess profits are refundable to the government under the present laws.

Some slight increase in export flour produced may result from the slightly higher extracting rate used. As the rate is around 78% as compared with 72%, some 8% more flour might be produced. Actual saving will depend on the kind of export flour produced by the individual millers, it is pointed out.

The ruling should make about 2.5 million bushels of wheat available for milling for export in the next six months, which should produce about 550,000 barrels of flour, it is estimated. Size of this year's wheat crop will probably be a big factor in how long the orders will be in effect.

Experienced Underwriters of Corporate and Municipal Securities

In 1945 we were one of the principal underwriters of issues of securities aggregating more than a billion and a half dollars, including State, Municipal and Corporation Bonds and Preferred and Common Stocks.

We have a long and intimate knowledge of Canadian affairs and finance and would welcome inquiries from municipalities and established industrial and mining companies desiring access to the American market.

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Established 1899
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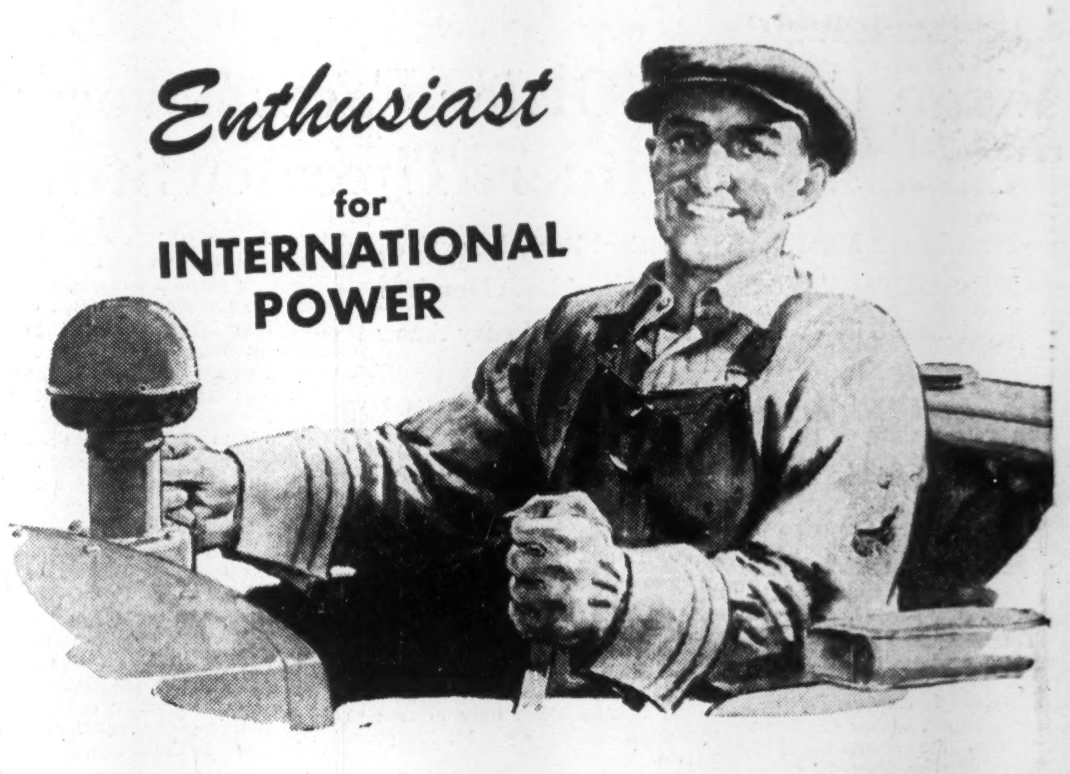

HE SELLS more International TracTracTors than anybody we know! He runs them, handles the controls — knows, first hand, what International Crawler performance means.

And he's not backward about saying what he thinks about his power-packed prime mover, good or bad.

Find him where the tough, grubby jobs are getting done—on highway, airport and construction projects—at mill yards or with municipal crews. And listen!

Hear him tell what *his* International can do, how it pays off in lower costs on every job, how he can beat the other fellow with it in climbing, turning, digging, carrying and hauling.

And the outfit he works for backs him up with statements like this: *"It's a powerful tractor with all the speed and dependability we need. This is our first experience with International Power and we are thoroughly pleased with our choice." "Cheapest fuel cost and maintenance we have ever experienced."*

International Industrial Power Distributors have all information about International Diesel and carburetor-type TracTracTors, Wheels Tractors and Power Units. For help in selecting the size and type of power equipment that will serve you best, talk with the distributor near you.

INTERNATIONAL INDUSTRIAL POWER DISTRIBUTORS

B. C. Equipment Company Ltd., Vancouver, B.C.
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Industrial & Road Equipment Ltd., Calgary, Alta.
R. J. Fyfe Equipment, Regina, Sask.
Kane-Gibb-Marr Company, Winnipeg, Manitoba
Twin City Industrial Equipment Ltd., Fort William, Ontario
W. G. Reid, Fort Francis, Ontario
Soo Garage, Sault Ste. Marie, Ont.
W. L. Ballentine Company Ltd.
Chas. Cusson Limited, Montreal, Quebec
Lounsbury Company Limited, Moncton, N.B.
J. Clark & Son Limited, Fredericton, N.B.
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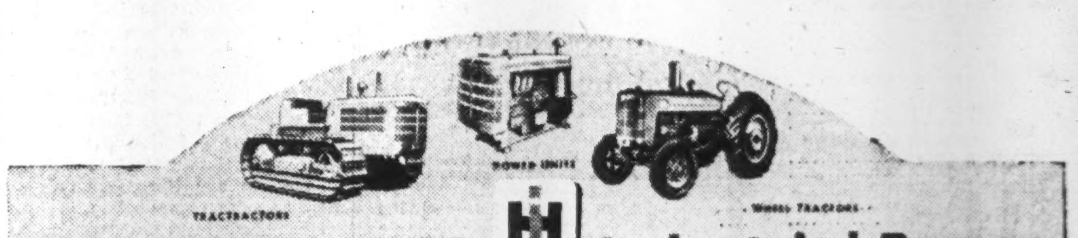
INTERNATIONAL HARVESTER COMPANY
OF CANADA, LIMITED
Hamilton Ontario



INTERNATIONAL Industrial Power

"It's the best I can do, sir!"

You can't blame the boy for being shy. However, there is no extra material, says the newsprint manufacturer—tailor to Canada's papers.

A healthy boy keeps growing and no one can stop it. Such is the amazing, unpredictable record of La Presse, with 82,000 more circulation and still going up.

We are convinced that when adequate newsprint is available, La Presse, the unchallenged leader in French Canada, will offer to advertisers an outstanding coverage at the lowest milline rate in its history.

What LA PRESSE increased circulation means to Advertisers

Monday to Friday	Rate	Milline
Average Net Paid, Feb. 1939—149,835	24c	1.60
" " " Feb. 1940—150,691	24c	1.59
" " " Feb. 1946—228,018	26c	1.14

Saturday (week-end) now 262,205

80,000 more circulation than the second daily published in Montreal

LA PRESSE
THE SECOND LARGEST DAILY CIRCULATION IN CANADA
More coverage than all other Montreal evening dailies combined

The Wawanesa
Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets... $5,024,159.53
Surplus 2,678,420.06
Dom. Govt. Deposit 2,450,734.89

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Eastern Office TORONTO Ont.

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VANCOUVER, SASKATOON
WINNIPEG, MONTREAL

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or are you sold —
ADVERTISING?

No need to plunge. No need to wait. CANADIAN ADVERTISING provides the inside facts immediately on every advertising media. Experts use it as a source of basic information for discussion with their advertising agencies.

CA lists all radio stations, papers and magazines in Canada; names personnel; gives facts on circulation, contract rates, mechanical requirements, publishing dates. Includes telephone directory, transportation and poster advertising, too.

By subscription only: $5 a year; $9 for two years. Write today to put yourself down for the next available issue.

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Envelopes
for every purpose
Barber-Ellis
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BRANCHES FROM COAST TO COAST

Breithaupt
DRI-BREIT
SOLE LEATHER
Is Watertight
AND
Wears like iron

THE BREITHAUPT
LEATHER CO. LIMITED
Kitchener, Ont.

SAVE
REGULARLY

It is regular saving that counts. A Savings Account with the Canada Permanent will help. You can make payments by cheque. Your deposits earn 2%. You have a fund always available to meet obligations and emergencies. You feel *secure.*

CANADA
PERMANENT
Mortgage Corporation

Head Office: 320 Bay St., Toronto
Assets Exceed $64,000,000

Merchant Export Firms Expedite Foreign Trade

The urgent need of increasing Canada's export trade has brought new prominence to the "merchant exporter."

Before the war there were approximately 25 of these foreign trade expediters in operation in Canada. Now there are over 100 and the volume of business they do has increased faster than their numbers.

The individual capital represented varies from $5,000—$10,000 in the case of the smaller export agent to over $1 million in the case of the largest exporting houses.

The smaller agent specializes in one or two export products supplied by special manufacturers. The larger export houses with their many overseas branches and agencies are able to export an almost unlimited variety of products as the market develops.

Some Canadian export firms have branches and agencies now in almost every major market in the world. One of the most enterprising, born early in the war, now maintains 82 branches and agencies distributed throughout every part of the world.

Best clients at the moment are the hundreds of small manufacturers coming into the export field for the first time. These cannot afford separate export departments within their organizations yet need expert advice on foreign market requirements and all the intricacies connected with export operations today.

The export merchant will act as principal or agent, buying the manufacturer's goods outright or selling them for a fee in the foreign markets. For many small manufacturing concerns interested in export for the first time and not in a position to wait lengthy periods for payment for goods, the cash payment system is the more popular. It affords them the opportunity to compete with larger and weathier export manufacturers in Canada and other countries.

Another job the merchant exporter can do—collect into his warehouses diversified goods from manufacturers in lots too small to ship by themselves, crate them up and export them in one single economic shipment.

In spite of the claims of the domestic market and the complexities of exporting under government regulations Canadian manufacturers are more export-minded than ever. Some indication of the trend may be had from the growth record of the Canadian Exporters Association —one of the chief organizations attempting to further export trade. At its first annual meeting in 1944 340 members were represented including some 25 merchant exporters and export agents. At the present time total membership amounts to about 600 including some 80 merchant exporters and export agents.

Canadian Exporters' Association, at 24 King St. W., Toronto and 276 St. James St. W., Montreal, offers to provide the names of merchant exporters to interested manufacturers.

The Provincial Roundup

(Continued from page 3)

week (March 18) introduced legislation "to estimate the capitalized productive resources of the province, and to issue credit deposits against them." Benefits would be available to all British subjects resident in the province for a year. But Manning, as previously indicated, announced that the new measure will be referred to the Supreme Court of Alberta for a validity test, before being enforced. Some observers pondered whether this meant curtains for Social Credit.

Local option health legislation, covering hospitalization, medical services, dentistry, nursing and drugs, was introduced by Health Minister W. W. Cross. Districts, by a 60% vote, can bring themselves under the scheme. Estimated cost is $5.60 a year, per capita, of which the Dominion is expected to contribute 60%.

The Assembly unanimously asked Ottawa to institute a national, five-year rehabilitation program which would yield Alberta $16 millions annually, financing the project either by (a) expanding the national credit, through the Bank of Canada, or (b) by an annual Reconstruction Victory Loan.

Reconstruction should begin at home, argued W. J. Williams, servicemen's spokesman, demanding that Canada "quit playing Santa Claus to half the world, and start looking after Canadians."

The Government moved to aid extension of co-operatives into the rural electrification field, by guaranteeing their borrowings; and to extend aid to any manufacturing industry, instead of confining its assistance to primary industries.

Premier Manning frowned on compulsory insurance for car drivers, but said the government is studying the problem presented by uninsured drivers in accidents.

No government in Canada "can sob as loudly as the Social Credit, on behalf of the needy people, when it doesn't cost a cent," A. J. E. Liesemer, Calgary, one of the two CCF-ers in the House, taunted.

Alberta is not in a financial position to take over 50% of education costs (estimated $4 millions yearly) Education Minister R. E. Ansley served notice.

In British Columbia

Premier John Hart estimated 1946-47 expenditures ($42,089,508, up $4,890,547) and revenue ($42,152,387, up $4,884,674) at new peaks, with probable surplus $62,879 ($6,904,919 last year). Hart complained that uncertainty regarding outcome of the Dominion-provincial conference, left accurate budgeting up in the air; saw "a strange and anomalous position, in which people of this province may find themselves, as a result of ill-conceived proposals, contributing heavily to the Dominion Treasury for current expenses in other areas, while borrowing money for their own provincial current needs"

Hart also outlined plans for a $20 million extension of the Pacific Great Eastern Railway from Quesnel to Hudson Hope—with a further $12 millions extension to Dawson Creek, if an economic right-of-way can be found. The CNR or the CPR —possibly both—will be invited to collaborate in the program, aimed at development of Peace River Block coal resources.

Complaining that Ottawa had declined to share the cost of "enormous damage" done to B. C. roads by heavy military equipment during the war, Public Works Minister Herbert Anscomb announced a $22,850,000 highway program for 1946, broken down as follows:

1. Uncompleted contracts, $600,000.
2. Kootenay Lake ferry, road and landings, $750,000.
3. Peace River Highway connection, $6 millions.
4. Hope-Princeton highway, $5 millions.
5. Machinery and equipment, $500,000.
6. Maintenance, $5 millions.
7. New loan for capital development, $5 millions.

Anscomb still held out hope that federal authorities "may mellow" to the extent of assuming 50% of the cost of the program; and also, of returning to the province, the present federal 3-cents-a-gallon gasoline tax.

Mercury Acquires Nonshrink Rights

Mercury Mills Ltd. has acquired the exclusive rights to a proven shrinkproof process for woollens, R. H. Hommel, president and general manager, told the annual meeting. The process is of British origin and the necessary equipment is being installed at the company's Hamilton mill.

At the same time, some of Mercury's lines of men's socks may be mothproofed and the Listowel subsidiary, Maitland Spinning Mills, will now produce permanently mothproofed yarns, the president stated.

Within a month or so, men's hose will be reinforced with nylon heel and toe, a new development within the trade, Mr. Hommel added.

New textile machinery of the latest design, will create additional plant capacity. Present condition of raw material supplies is reported highly unsatisfactory. There is every hope, however, that the situation will improve greatly before the end of the year, Mr. Hommel said.

J. H. DAVEY

has been appointed president and managing director of International Paints (Canada) Ltd. He was formerly vice-president and managing director.

SOUTH SASKATCHEWAN River Development Association, organized in Regina and Moose Jaw, aims to push the proposed development scheme to supply South Saskatchewan River water to those cities and serve as well, a wide area for irrigation.

All of these Debentures having been sold, this advertisement appears as a matter of record only.

NEW ISSUE

$1,500,000

Eastern Steel Products, Limited

First Secured Debentures Series "A"

$650,000 First Secured 2½% to 3¾% Serial Debentures

$850,000 First Secured 4% Twenty-year Sinking Fund Debentures

To be dated April 1, 1946 — To mature April 1, 1947-1961 and 1966

These First Secured Debentures will be a First Mortgage on certain properties of the Company as well as a direct obligation and will be issued under a Trust Deed, as more fully outlined in the official prospectus, copies of which will be furnished on request.

TRUSTEE: Chartered Trust and Executor Company

In the opinion of Counsel these Debentures will be a legal investment for Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932, as amended.

Burns Bros. & Denton Limited — A. B. Davidson & Co. Limited

What's New at Metropolitan?

THERE ARE many items of good news for policyholders in the 1945 record of the Metropolitan Life Insurance Company.

Payments to policyholders and their beneficiaries in Canada and the United States reached a new all-time high of $623,000,000. Mortality among policyholders, excluding war deaths, was the lowest on record. The yield on the Company's investments followed the general trend and declined somewhat. The Company had asset gains which made it possible to revise policy and annuity reserves so as to reflect lower interest earnings. Scales of dividends to policyholders were maintained, and in some cases slightly increased.

Unassigned surplus funds at the year end amounted to $448,600,000. In addition the Company had special surplus funds of $109,400,000, of which $95,100,000 represented a special reserve for possible loss or fluctuation in the value of investments and $14,300,000 a Group Insurance reserve for epidemics, etc. These funds represent an extra cushion of safety for policyholders.

In its report to policyholders in Canada and the United States for 1945, Metropolitan provides answers to many of the questions a policyholder would be likely to ask if he could make a personal visit to the Company. Among questions answered, for example, are . . .

Were there many extra claim payments last year due to the war?

Would longer life for policyholders reduce the cost of Life insurance?

In what types of investments did the Company put its money?

In addition to answering these and many other questions, the report gives a financial summary of the Company's operations during 1945. Whether or not you are a policyholder, you will find this report interesting and informative. To get a copy, just write to the Canadian Head Office, Ottawa, and ask for the Company's annual report entitled, "What's New At Metropolitan?"

BUSINESS REPORT FOR 1945

OBLIGATIONS TO POLICYHOLDERS, BENEFICIARIES, AND OTHERS

Policy Reserves Required by Law . . . This amount, together with future premiums and interest, is required to assure payment of all future policy benefits.	$6,400,802,374.47
Policy Proceeds and Dividends Held at Interest . . . These are funds left with the Company to be paid in the future.	342,073,866.83
Reserved for Dividends to Policyholders . Set aside for payment in 1946 to those policyholders eligible to receive them.	123,338,706.00
Other Policy Obligations . . . Claims in process of settlement, estimated claims not yet reported, premiums received in advance, etc.	67,108,358.06
Taxes Accrued . . . Includes estimated amount of taxes payable in 1946 on the business of 1945.	20,019,592.00
Contingency Reserve for Mortgage Loans . .	21,000,000.00
Miscellaneous Liabilities . . .	29,587,557.57
TOTAL OBLIGATIONS . . .	$7,003,930,454.93

ASSETS WHICH ASSURE FULFILMENT OF OBLIGATIONS

Government Securities . . . Canadian and United States.		$3,901,918,692.03
Other Bonds . . .		1,729,338,186.57
Provincial, State, and Municipal . . .	$ 92,780,754.21	
Railroad . . .	584,361,368.30	
Public Utilities . . .	656,189,313.34	
Industrial and Miscellaneous	396,006,750.12	
Stocks . . . All but $4,076,225.49 are Preferred or Guaranteed.		114,550,034.03
First Mortgage Loans on Real Estate . .		870,363,554.77
Farms . . .	$ 86,606,570.02	
Other Property . . .	783,756,984.75	
Loans on Policies . . . Made to policyholders on the security of their policies.		343,512,038.44
Real Estate Owned . . . Includes $39,300,334.74 real estate under contract of sale and $147,436,299.08 Housing Projects and real estate for Company use.		259,557,120.46
Cash . . . Deposited in banks, in transit, or on hand.		175,687,154.11
Other Assets . . . Premiums due and deferred, interest and rents due and accrued, etc.		167,070,489.96
TOTAL ASSETS TO MEET OBLIGATIONS		$7,561,997,270.37

Thus, Assets exceed Obligations by $558,066,815.44. This safety fund, representing about 8% of the obligations, serves as a cushion against possible unfavourable experience and gives extra assurance that all policy benefits will be paid in full as they fall due. This fund is made up of:

A Special Surplus Fund (including $95,112,000.00 for possible lossor fluctuation in the value of investments) . . $109,422,000.00
Unassigned Funds (Surplus) . . . $448,644,815.44

NOTE:—Assets carried at $360,747,351.78 in the above statement are deposited with various public officials under requirements of law or regulatory authority. Canadian business embraced in this statement is reported on basis of par of exchange.

HIGHLIGHTS OF 1945 OPERATIONS

Life Insurance in Force, End of 1945 . . $31,261,969,317
Paid-for Life Insurance Issued During 1945 . . $2,143,423,150
Amount Paid to Policyholders During 1945 . . . $623,443,185.86

SOME FACTS ABOUT METROPOLITAN'S OPERATIONS IN CANADA

New Life Insurance issued
In 1945, Canadians from all walks of life took out $172,446,469 of Life insurance with the Metropolitan.

Life Insurance in Force
At the end of 1945, a total of $1,775,471,638 Metropolitan protection was owned in Canada by 2,300,000 policyholders. Of this amount, 57% is owned by Ordinary policyholders, 9% by Group policyholders and 34% by Industrial policyholders.

Total Investments in Canada
The Company's total investments in Canada amounted to $425,255,484 at the end of 1945. Of this amount, 49% is in Canadian War and Victory Bonds. Other investments are in provincial and municipal bonds, securities of railroads, industrial plants, public utilities and mortgages.

Payments to Policyholders and Beneficiaries
Metropolitan paid out in 1945 to its Canadian policyholders and their beneficiaries $32,328,059 in death claims, matured policies, dividends and other payments. Of this amount, 66% was paid to living policyholders.

Health and Welfare Work
During 1945, a total of 219,299 nursing visits were made to Industrial and Group-insured Metropolitan policyholders in Canada. In addition, over 1¾ million pamphlets on health and safety were distributed by Agents last year.

The total amount the Metropolitan has paid to Canadians since it entered Canada in 1872, plus the amount now invested in Canada, exceeds the total premiums received from Canadians by more than $270,000,000.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)

FREDERICK H. ECKER, *Chairman of the Board*
HOME OFFICE: NEW YORK
LEROY A. LINCOLN, *President*

CANADIAN HEAD OFFICE: OTTAWA
EDWIN C. McDONALD, *Vice-President in Charge*

"I SHALL BE SURPRISED"

—said Mr. Morrison in the House of Commons, "If I don't see it in THE RECORDER."

Now Mr. Morrison does not agree with THE RECORDER—though he told a friend in Canada that he respects it.

He reads it and so do many other Cabinet Ministers in Britain—leaders in Finance and Industry also read THE RECORDER.

This national newspaper (founded in 1870) is independent and gives a first class picture of life and business affairs in Britain—today.

Subscription $2.60 per year postpaid, from your News Agent, or to

THE RECORDER
Room 8, 32 Front Street West
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FLY

Regular schedules and charter flights ... modern planes ... courteous service.

Montreal • Quebec • Chicoutimi
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Roberval • Northern Quebec
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Winnipeg • Bissett • Little Grand Rapids
Winnipeg • Red Lake • Madsen
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Regina • Saskatoon • North Battleford
Edmonton • Fort Norman • Aklavik
Edmonton • Yellowknife
Edmonton • Whitehorse • Dawson
Vancouver • Whitehorse • Dawson
Vancouver • Victoria
Vancouver • Tofino • Zeballos • Port Alice

Connections with rail and air lines ... bases across Canada. Information and reservations through nearest Canadian Pacific Air Lines Traffic Office or any Canadian Pacific Railway agent.

Canadian Pacific AIR LINES

GUARD YOUR TRAVEL FUNDS with

Canadian Pacific Express TRAVELLERS CHEQUES

It happened in Montreal—
It could happen to YOU!

Clubwoman Robbed of Jewelry!

Glancing around her hotel suite, the prominent clubwoman closed and locked the door. Hours later when she opened it again, the sight which greeted her eyes held her rooted to the spot. Her bureau gaped open! Dread clutched at her heart. Her jewels, $3,400 worth, were gone!

• • •

Nothing could replace their "sentimental" value, but her British Northwestern Personal Property Floater insurance policy could — and did — replace their "real" value. She learned *from experience* that British Northwestern Personal Property Floater insurance covers *all* losses of personal effects incurred at home or away from home. *And at nominal cost.*

See your British Northwestern agent today ... *NOW* ... about this remarkable protection.

This was an *actual* experience! *Recorded as Claim Q-428, it tells the story of another satisfied policy holder of British Northwestern.*

British Northwestern
Fire Insurance Company

HEAD OFFICE — TORONTO, ONTARIO

COMPANY REPORTS

INTERNATIONAL NICKEL CO. OF CANADA earnings were lower at $1.58 a share against $1.69 in 1944, excluding refundable). Earnings in the last quarter were 38 cents against 34 cents in the third quarter of 1945.

Reflecting reduction in operations attendant on a sharp decline in deliveries of metals and an accumulation of nickel stocks, only 10,136,350 tons of ore were treated, against 12,117,567 in 1944.

Platium metals were the only group to show increased sales:

Metal Sales

	1945	1944
Nickel, lb.	201,572,987	250,740,110
Copper, lb.	215,723,220	264,711,925
Gold, oz.	58,179	61,838
Silver, oz.	1,601,476	1,784,633
Platinum metals oz.	381,741	303,394

Of the reduction in output, President R. S. Stanley reports:

"As all our plants were equipped for sufficient output to fill the maximum wartime demands of the United Nations, it became necessary to curtail operations. By the year-end production was down to about 50% of the expanded capacity."

Ore reserves and working capital showed increases, as reported elsewhere, while President R. C. Stanley sees good prospects for an expanding postwar market for nickel.

CONSOLIDATED INCOME ACCOUNT

Years ended Dec. 31:	1945 $	1944 $
Net sales	148,055,751	170,001,834
Less: Costs & exp.	94,256,061	107,871,915
Net op. prof.	53,799,690	62,129,919
Add: Other inc.	907,248	907,885
Net earnings	54,706,938	63,037,804
Less: Tax res.♦	12,461,941	19,570,349
Pepr. & depl.	13,509,099	12,844,163
Retire res.	2,999,960	3,663,124
Other res.	725,000	432,516
Net profit†	25,010,938	26,527,652
Less: Pf. divs.	1,933,899	1,933,899
Com. divds.	23,325,070	23,325,070
Surp. for yr.	*248,031	1,268,683
♦Incl. ref. EPT	......	400,000

* Deficit. † Note: Co.'s report includes refund. EPT in net profit and surplus for year.

Earnings per share and Dividend Record:

	1945	1944
Pref: Excl. ref. EPT	91%	96%
Incl. ref. EPT	91%	97%
Paid	7%	7%
Com.: Excl. ref. EPT	$1.58	$1.69
Incl. ref. EPT	1.58	1.71
Paid	1.60	1.60

CONDENSED CONSOL. BALANCE SHEET

As at Dec. 31:	1945 $	1944 $
Cash & dep.	52,943,805	53,615,851
Govt. secs.*	26,569,026	17,331,592
Accts., bills rec.	16,342,972	18,762,507
Inventories	44,455,656	43,151,780
Total cur. assets	140,311,459	132,861,730
Rec. from USSR°	16,666,600	20,000,000
Prep. ins., etc.♦	178,132	1,481,415
Ret. res. secs.†	13,712,936	15,526,074
Misc. invest.	597,571	600,528
Properties▲	122,266,830	133,770,166
Total assets	293,733,528	304,239,913
Accts. pay.	5,600,176	7,952,645
Taxes accr.	12,037,366	17,715,000
Pref. div. res.	483,474	483,474
Tot. curr. liab.	18,121,016	26,151,119
Retire res.	13,723,031	15,532,132
Cont., ins. res.	12,666,800	13,085,950
Finland exp. res.	......	......
Pref. stock	27,627,825	27,627,825
Com. stock	60,766,771	60,766,771
Cap. surp.	60,606,500	60,606,500
Earned surp.♦	80,221,585	80,469,616
Surp. re Finland prop.°	20,000,000	20,000,000
▲After depr. & depl. of	129,764,189	117,114,872
♦Incl. refund EPT	......	1,300,000
*Mkt. value	26,673,000	17,332,000
†Mkt. value	13,755,000	15,533,000
°Finland prop. trans. to U.S.S.R. in 1944.		
Working capital	122,190,443	106,710,611

HOWARD SMITH PAPER MILLS LTD. 1945 net earnings are down $268,504 but retained net profit up $26,181 as depreciation and depletion charges were cut 18%, bond interest cut 38%. Common dividends were inaugurated in 1945.

Pulpwood operations were difficult and costly but should ease during 1946, President Harold Crabtree said. Expenditures on capital account amounted to $517,977. Mr. Crabtree stated that production at the Lignin-Plastic plant, though limited to a few specialized lines, showed good growth possibilities.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$3,791,608	$4,059,112
Less' Depr. & depl.	1,400,758	1,738,523
Bond interest	132,981	215,456
Research exp. w/o	80,058	52,279
Inc. tax res.♦	1,079,307	972,986
Inventory res.	15,620	33,165
Net profit	1,082,884	1,056,703
Less: Subs. pref. div.	120	120
H. Smith pf. div.	430,218	430,218
Common div.	332,836	......
Surplus for year	319,710	626,365
♦Incl. refund. EPT.	66,308	46,842
Times Interest Earned:		
Before depr. & depl.	28.51	18.84
After depr. & depl.	17.98	10.82
Earnings per Share and Dividend Record:		
Pf.: Excl. ref. EPT	$15.10	$14.74
Incl. ref. EPT	16.02	15.39
Paid	6.00	6.00
Com.: Excl. ref. EPT	1.96	1.88
Incl. ref. EPT	2.16	2.02
Paid	1.00	......

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$2,034,683	$2,429,042
Accts. rec.	3,320,123	2,813,007
Inventories	5,041,327	4,600,025
Total curr. assets	10,396,133	9,842,074
Life ins. c.s.v.	62,655	56,912
Misc. assets & inv.▲	757,076	694,249
Fixed assets	29,139,287	28,703,220
Total assets	40,355,151	39,296,455
Bank loans	......	490,000
Accts. & tax. pay.	2,491,050	1,487,136
Total curr. lia.	2,491,050	1,977,136
Funded debt	3,600,000	4,825,000
Minor int.	2,192	2,282
Reserves: Depr., depl.	16,614,835	15,262,826
Contingencies	95,750	100,750
Inventories	1,014,016	1,000,000
Capital stock	8,183,759	8,183,759
Capital surplus	585,055	601,960
Earned surplus▲	7,768,494	7,342,742
▲Incl. refund. EPT.	284,936	217,341
Working capital	7,905,083	7,864,938

PRESTON EAST DOME MINES during 1945 sank its No. 2 shaft 606 ft. to 2,388 ft. This curtailed normal development and reduced ore reserves, but progress is now being made on north and west crosscuts on five new levels, President W. H. Bouck, states.

A total of 608 ft. of ore was developed on upper levels with average width of 10 ft. and average grade 0.21 oz. Seventeen drill holes were put down from surface on property of Cincinnati Porcupine. Gold values were obtained but no ore body has been outlined to date.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Bullion production	$2,171,301	$2,218,751
Less: Market. chgs.	24,025	25,119
Net recovery	2,147,276	2,193,632
Less: Oper. costs	1,464,513	1,457,930
Operating profit	682,763	736,702
Add: Sundry rev.	40,639	36,534
Net earnings	723,402	772,236
Less: Pre-devel. w/o	49,989	59,987
Depreciation	303,824	315,100
Loss, equip. & bldgs.	964	......
Shaft deep. w/o	33,163	25,500
Prov. for taxes	96,371	105,365
Net profit	239,091	266,284
Less: Dvdends	480,000	600,000
Deficit for year	240,909	333,716
Earnings per Share and Dividend Record:		
Com.: Earned	$0.080	$0.089
Paid	0.16	0.20

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & bullion	$237,109	$249,148
Accts. rec.	60,672	22,933
Bds. & list. stks.*	655,407	669,576
Accr. bd. int., etc.	5,731	7,160
Stores & supplies	181,657	223,669
Total curr. assets	1,140,576	1,172,486
Investments	26,333	21,813
Prep. & def. assets	60,284	26,747
Def. development	77,451	109,523
Mining claims	1,327,265	1,327,265
Plant & equip.▲	196,342	460,678
Total assets	2,828,251	3,118,512
Accts. payable	197,978	253,449
Taxes payable	48,584	50,726
Total curr. liab.	246,562	304,175
Capital stock	1,770,250	1,770,250
Surplus	811,439	1,044,087
▲After depr. of	1,689,255	1,391,034
*Market value	668,149	655,062
Working capital	894,014	868,311

OPERATING STATISTICS

	1945	1944
Tons milled	222,359	249,268
Average recov.	$9.76	$8.90
Ore reserves, tons	486,653	675,490
Grade ($38.50 gold)	$9.12	$8.66

CARNATION CO. reports 1945; dollar sales at an all-time high, up 14% from 1944. Net earnings were up approximately $3 millions; net profit, up $517,442.

In Dec. the financial position was improved when the outstanding 15-year 3% sinking fund debentures were retired and replaced by $5 millions of 2⅝% sinking fund debentures. President E. H. Stuart said that many projects calling for large capital expenditures would be started in 1946, if building and equipment supplies become more available.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$11,468,248	$8,493,401
Less: Depr.	1,354,467	1,349,738
Prov. obsol.	25,000	25,000
Deb. int.	171,089	120,000
Other int.	70,862	44,965
Prem. & exp. bd. iss.	189,422	......
Scholarship cont.	300,000	......
Misc. chgs.	9,928	23,660
Approp. adv. comm.	300,000	......
Inv. loss prov.	......	200,000
Inc. & EPT♦	6,600,000	4,800,000
Net profit*	2,447,480	1,930,038
Less: Pref. divds.	236,681	200,000
Com. divds.	1,218,976	1,218,763
Surplus for year	991,823	511,275
♦Incl. refund. EPT	......	306,000

*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:

	1945	1944
Pref.: Excl. ref. EPT	$40.79	$38.60
Incl. ref. EPT	40.79	44.72
Paid	4.00	4.00
Com.: Excl. ref. EPT	3.63	2.84
Incl. ref. EPT	3.63	3.34
Paid	2.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$5,650,981	$5,975,710
Mkt. secs.‡	1,195,176	2,001,094
U. S. treas. notes	887,313	......
Accts. rec.	6,414,901	6,467,818
Refund bds.	410,084	......
Inventories	14,332,697	13,570,433
Total curr. assets	28,891,152	28,015,055
Invest. in subs.	994,565	994,565
Misc. assets▲	998,478	1,616,358
Fixed assets*	14,188,174	13,035,650
Total assets	45,072,369	43,661,628
Bank notes	......	3,000,000
Accts., tax., etc., pay.	7,503,298	7,236,451
Divds. pay.	364,744	354,744
Total curr. liab.	7,868,042	10,591,195
Funded debt	5,000,000	3,833,000
Reserves	2,973,400	2,221,924
Capital stock	16,056,552	15,056,552
Surplus▲	13,174,375	11,958,957
*After depr. of	15,098,528	14,884,428
‡Market value	1,460,000	2,210,000
▲Incl. refund. EPT	......	694,000
Working capital	21,023,110	17,423,860

METROPOLITAN LIFE INSURANCE CO. shows 1945 business in force of almost $31.3 billions, increase of about $565 millions; new insurance $80 millions higher at $2.1 billions. Assets, reserves and policy payments also were up.

Total life insurance in Canada rose $100 millions to $1.7 billions while new insurance, at $172 millions, compared with $173 millions in 1944. Investments in Canada were $30 millions higher and payments to policyholders and beneficiaries were $32.3 millions, against $29.9 millions in 1944.

E. C. McDonald, vice-president in charge of the Canadian head office, states the total amount the company has paid Canadians since it entered Canada in 1872, plus the amount now invested here, exceeds total premiums received from Canadians by more than $270 millions.

Total Business

	1945 ($000)	1944 ($000)
Insurance in force	31,261,969	30,696,750
New insurance	2,143,423	2,064,042
Total assets	7,561,997	6,995,450
Liabs. to p'holders inc. pol. reserves	6,933,323	6,401,364
Taxes	20,019	21,657
Other liabs.	29,587	24,644
Sp. surplus fund inc. invest. & mort. res.	130,422	120,128
Free surplus	448,645	427,658
Policy payments	623,443	592,034
Canadian Business		
Insurance in force	1,775,472	1,675,170
New insurance	172,446	173,547
Invests. in Canada	425,255	395,018
Policy payments	32,328	29,975

To The Travelling Public:

Hotel London

London, Ontario

Rates for Rooms as Follows:—

Single room without bath, $2.75; running water and toilet.
Single room with shower, $3.00.
Single room with bath, $[illegible].
Single room with tub and shower combination, $4.00.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $5.00.
Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.

Soliciting your appreciated patronage.

H. F. STRUCKETT, Manager

H. D. BURNS

elected chairman of the board of the Crown Life Insurance Co., was formerly vice-president; is president of the bank of Nova Scotia.

FOREIGN TRADE ENQUIRIES

Herewith The Financial Post offers a further collection of enquiries in a service to Canadian business. The following are definite trade proposals and enquiries for Canadian goods from firms in foreign countries.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the Maclean-Hunter publication of Canadian trade abroad.

As an additional free service similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 30 foreign countries. Please send your announcements to the same address.

The service is designed to facilitate our foreign trade by assisting firms here to find out about foreign business opportunities and to contact business firms directly and immediately.

Write The Foreign Trade Service Bureau, The Financial Post, 481 University Ave., Toronto 2, for full information on any bulletin below and please give the code number preceding the item.

CM128, PERU—Full details of machinery for producing rubber and its derivatives, available from Canadian manufacturers, is sought by company which recently purchased established industry and plans to increase and modernize its machinery. Interest is expressed also in the possibility of acting as agents for equipment suited to this field.

D94, SYRIA — Importer seeks to develop business with Canadian producers in the following lines: paper, hardware, rubber goods, foodstuffs, leathers.

CM129, PERU—Foundry and machine shop seeks source of supply in Canada for molds or dies for pressure casting of toys made of alloys of lead, antimony or zinc aluminum and machines for molding sad irons and steam irons for the dressmaking trade. Correspondence in Spanish.

G66, INDIA — Commission representative seeks exclusive agency for the following: toilet articles, powder, creams, perfumes, etc., toys, stationery articles, paints, household electrical appliances.

CM130, ECUADOR — Commission agent seeks representation of Canadian manufacturers of construction materials, machines and tools of all kinds; immediate purchase is sought also of the following: 18-in. and 20-in. automatic lathes, stationary and portable drills, milling machine attachments for lathes, hand-vises in various sizes and blowers for blacksmith's shop, and other tools that form complete equipment for these workshops. Full agency details are sought, and all orders will be placed on a basis of irrevocable letter of credit. Correspondence in Spanish.

CM131, ENGLAND — Canadian source sought for equipment suitable for breaking 18-ft. lengths of billets from 3-in. square to 6-in. square cross sections into pieces of 10 in. to 18 in. long, providing types available are more economical than usual heavy type of billet shear.

CM132, INDIA—Mill owner seeks hosiery machinery, spare parts, hosiery needles and sinkers.

CM133, AUSTRALIA—Metallurgist acting as consultant asks for quotations and full details on products used in inspecting foundry forges and metallurgical items, with a view to representing Canadian manufacturers on a commission basis.

Teach Pharmacy In B. C. University

VANCOUVER — University of British Columbia will open a pharmacy department next September, headed by E. L. Woods, dean of the College of Pharmacy at the University of Saskatchewan. A joint $60,000 pharmacy-biology building is planned. The course probably will be a three-year one.

Creation of two other new departments—a faculty of law and pre-medical courses—had previously been announced.

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Banff Springs Hotel
WELCOMES YOU AGAIN

Here is news for your holiday-hungry heart!

Glorious Banff Springs Hotel in the Canadian Rockies will reopen on June 15 this year—golf, riding, swimming, hiking!

Other world-famous Canadian Pacific resort hotels in Eastern and Western Canada will reopen this summer too—Chateau Lake Louise, Emerald Lake Chalet and Mountain Lodges in the Rockies, the Algonquin Holiday Colony at St. Andrews-by-the-Sea, New Brunswick, the Digby Pines in Nova Scotia—and others. These Canadian Pacific resorts are famous for hospitality, courtesy and service. They have been host to countless thousands of visitors from every part of North America and many foreign lands.

For full information consult any Canadian Pacific Railway agent.

Canadian Pacific
SPANS THE WORLD

Mtl. Cottons Issues Up On Capital Change Plan

MONTREAL (Staff) — Montreal Cottons, Ltd., has announced a plan for capital rearrangement, which eventually may permit replacement of preferred stock by a low-interest-bond issue, with only relatively small prior deductions ahead of the common stock. Stockholders to vote on the proposals April 17.

Central idea of the plan is creation of a new callable preferred stock issue, to replace the present noncallable. Preferred stockholders will be asked to exchange present 7% $100-par stock on basis of four shares new 7% $25-par cumulative preferred, callable at $40 a share, plus one share of new no-par common, for each old share held.

Common stockholders would receive 10 new no-par common shares for each old $100-par common held. The new common would be placed on a 50-cents annual dividend basis, equivalent of $5 on each old share, on which present dividend rate is $4.

On basis of the call price of $40, the old stock would be worth, after the exchange $160, plus perhaps $10 a share (possible market price of new common) or around $170.

So long as present price control and subsidy arrangements with the Government continue, it is unlikely the new preferred will be redeemed at the call price, but eventually there may develop advantages in redeeming the new preferred at the call price, and issuing bonds at relatively low interest rate. The company now has no bonds outstanding. The proposed arrangements would clear the way for such an operation.

Most of the larger holders of the preferred and common have indicated support of the plan.

The company states that "it is considered that the proposed capital changes do not involve any liability for payment of taxes on the part of the shareholder or the company."

Following announcement of the plan, Montreal Cottons preferred on the Montreal Stock Market jumped 24 points, the common stock rose 18 points.

F. E. McMURRAY

has been appointed merchandising manager for War Assets Corp., with office at headquarters in Montreal.

COMPANY REPORTS

LAPRAIRIE CO.'s 1945 business was maintained at a relatively high level, but uncontrollable factors in operating conditions and costs still leave much to be desired, President C. G. Greenshields states.

Proceeds of sale of $250,000 first mortgage serial 3%-4½% bonds, together with other funds, were used to retire the $319,500 6% bonds when they matured on Oct. 1, 1945. Current assets at year end were $351,031 ($415,581 in 1944). Current liabilities were $55,940 ($57,075). Fixed assets, after depreciation of $478,350 ($414,106), were $1,044,386 ($1,059,571).

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$85,689	$60,503
Less: Bond int.	16,704	19,155
Depreciation	64,244	41,348
Inc. tax	1,422	......
Net profit	3,319	nil
Working capital	295,091	358,507

NOVA SCOTIA SAVINGS, LOAN & BUILDING SOCIETY reported 1945 net profit somewhat higher at $145,373. Shareholders' equity was down 3.5%: total assets were up 4.2%, liquid assets up 26.5%.

President Arthur B. Wiswell reported that a heavy volume of new business was being maintained, of which a large proportion was devoted to the construction of buildings. A hopeful sign, said the president, was the moderate tax reduction announced last fall. Mr. Wiswell referred to the dangers of inflated real estate values and said that their lending policy was guarded against that danger, although everything reasonable was being done to promote home ownership by worthy people.

	1945	1944
Liab. to public, etc.*	$ 3,696,271	$3,418,951
Shareholders' equity‡	1,653,430	1,712,844
* Secured by:		
Mtges. & sales agree.	4,659,816	4,577,961
Office premises	27,517	30,000
Liquid assets‡ ▲	662,368	523,834
Total	5,349,701	5,131,795
▲Includes bonds and accrued interest.		
‡Incl. ref. EPT	21,999	14,280

DETROIT INTERNATIONAL BRIDGE CO.'s 1945 net profit was a little over double that of 1944. Detroit International Bridge Co. earned $1.03 per share, and The Canadian Transit Co., wholly owned subsidiary, earned 90c. per share.

Vehicular traffic for the year 1945 was 85% greater than in 1944. Part of this increase was due to unusual travel to Canada during shortage periods to buy gasoline and foods. Tourist travel was not very large during the year. During the war years all tolls were collected on the American side of the Bridge in the interests of economy and more efficient supervision.

Funds of The Canadian Transit Co., restricted to use in Canada, and not available for distribution, amounted to $619,424 (Canadian dollars) at the end of 1945.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$431,364	$193,662
Less: For'n. exch. loss	3,130	6,052
Depreciation*	1,875	1,978
Allow. b'dge replace.	......	8,000
Inc. taxes	65,849	......
Net profit	360,510	177,632
Less: Dividend	233,270	140,028
Surplus for year	127,240	37,604

*Of furn., fixt. & auto. equip.

Note: No prov. for U. S. or Can. income taxes in 1944 as it is believed there is no taxable income.

Earnings per Share and Dividend Record:		
Common	$1.93	$0.95
Paid	1.25	0.75

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & bonds*	$844,531	$640,303
Accts. rec.	7,897	6,240
Total curr. assets	852,428	646,543
Prepaid chgs.	6,502	10,503
Fixed assets	2,662,569	2,634,221
Total assets	3,521,499	3,291,267
Total curr. liab.	195,641	95,340
Replacement res.	150,000	150,000
Deferred inc.	18,541	15,850
Capital stock	186,616	186,616
Capital surplus	2,425,603	2,425,603
Earned surplus	545,098	417,858
*Incl. U. S. treasury notes and Dom. bds.		
Working capital	656,787	551,203

HAMILTON COTTON CO. announces that production at both plants is improving as labor has become available, and further gradual improvement is anticipated as new employees become experienced. Full demand for all products is expected during the present year.

Comprehensive plans for extension and rearrangement of plant facilities are being carried out, and a building owned by the company in Dundas, Ont., is being refitted for manufacturing. Because of delays in obtaining machinery and equipment the changes will not be completed until 1947.

CONSOL. INCOME ACCOUNT

Years Ended:	Dec. 29 1945	Dec. 30 1944
Net earnings	$387,807	$434,803
Less: Deprec.	124,932	187,911
Bond interest	44,676	25,430
Invest. res.	......	*1,412
Fire loss adj.	*4,898	......
Inc. tax res.	91,000	89,000
Net profit	132,097	133,874
Less: Com. divds.	72,000	72,000
Surplus for year	60,097	61,874
*Credit.		
Times Interest Earned:		
Before deprec.	8.68	17.10
After deprec.	5.88	9.71
Earnings per Share and Dividend Record:		
Common	$1.65	$1.67
Paid	0.90	0.90

CONDENSED CONS. BALANCE SHEET

As at:	Dec. 29 Dec. 29 1945	Dec. 30 Dec. 30 1944
Cash & Dom. bonds	$920,902	$1,034,512
Accts. rec.	499,979	269,698
Inventories	550,745	669,071
Total curr. assets	1,971,626	1,973,281
Invest.	612,000	......
Misc. assets	69,879	6,987
Fixed assets*	1,047,036	1,103,957
Total assets	3,700,541	3,084,225
Total curr. liab.	340,997	401,108
Funded debt	1,415,000	765,000
Capital stock	1,200,000	1,200,000
Capital surplus	69,641	70,053
Earned surplus	674,903	648,064
*After depr. of	2,389,797	2,381,544
Working capital	1,630,629	1,572,173

ROLLAND PAPER CO. reports net 1945 earnings up approximately 1%, net profits down 2% for 1945. Bond interest requirements were cut 19.2% but tax reserve was up 4.1%. Working capital was down 8.8%, though cash and Dom. bonds were up 19.5%.

Vice-president J. Pierre Rolland referred to expenditures on capital account totalling $230,323. Although sales showed a considerable increase there has been a steady rise in costs and no increase in the ceiling prices at which products may be sold, said Mr. Rolland.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$510,331	$507,284
Less: Deprec.	211,954	193,303
Bond interest	70,580	87,250
Taxes reserve‡	95,711	91,852
Net profit*	132,086	134,879
Less: Pref. div.	89,775	90,000
Common div.	36,001	36,001
Surplus for year	6,310	8,878
‡Incl. refund. EPT	1,533	378
*Note:—Co's. report includes ref. EPT in net profit and surplus for year.		
Times Bond Interest Earned:		
Before deprec.	7.23	5.81
After deprec.	4.23	3.60
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$8.84	$8.99
Incl. ref. EPT	8.94	9.02
Paid	6.00	6.00
Com.: Excl, ref. EPT	0.71	0.75
Incl. ref. EPT	0.73	0.75
Paid	0.60	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$585,118	$489,610
Other invest.	7,398	20,636
Accts. rec.	528,915	611,288
Inventories	579,197	612,948
Total curr. assets	1,700,628	1,734,482
Misc. assets▲	241,050	203,036
Fixed assets	5,399,130	5,232,604
Trademarks	500,000	500,000
Total assets	7,840,808	7,670,122
Total curr. liab.	530,520	450,820
Funded debt	1,900,000	1,900,000
Deprec. reserve	2,275,262	2,083,519
Capital stock	2,794,032	2,800,032
Cap. surplus	6,000	......
Earned surp.▲	334,994	435,751
▲Incl. refund. EPT	35,875	34,341
Working capital	1,170,108	1,283,662

SOCIETE D'ADMINISTRATION ET DE FIDUCIE report earnings at $72,751 in 1945, $48,045 in 1944). Estatesc account was redcced $879,000 to $29.6 millions; liabilities to the public were reduced 49% to $153,740. Shareholders' equity was up 4.6%.

	1945	1944
Liab. to public, etc.*	$153,740	$302,755
Shareholders' equity	925,414	882,664
*Secured by:		
Mortgages	237,026	323,083
Office premises	202,450	229,617
Liquid assets‡	589,678	632,719
Total	1,079,154	1,185,419
‡Includes stocks and bonds.		
Estates account	29,609,652	30,489,071
Earned per share†	$3.64	$2.40
Paid	1.50	1.50

†Based on paid up capital.

Lampard, Francis and Company
LIMITED
INVESTMENT SECURITIES
TORONTO
HAMILTON WELLAND

THE PUBLIC SERVICE OF CANADA
Open competitions for
DEPARTMENT OF TRADE AND COMMERCE
CHIEF STATISTICIAN, MALE — $3,840-$4,200 PER ANNUM, BOARD OF GRAIN COMMISSIONERS, FORT WILLIAM, ONT.
STATISTICIAN, GRADES 4 AND 5, MALE—$3,360-$3,720 AND $3,840-$4,200 PER ANNUM, RESPECTIVELY, DOMINION BUREAU OF STATISTICS, OTTAWA
HEAD CLERK, MALE — $2,520 PER ANNUM, PLUS BONUS, IMPORT DIVISION, OTTAWA.
Full particulars on posters in Post Offices, National Employment Service Offices and Offices of the Civil Service Commission throughout Canada. Application forms, obtainable at above offices, should be filed not later than March 30, 1946, with the
CIVIL SERVICE COMMISSION OF CANADA, OTTAWA.

Have you ever thought of Life Insurance as PROPERTY?

BECAUSE Life Insurance has no visible form to be seen and admired, you may not have thought of it as "property"—and yet it is one of the most desirable forms of property that anyone ever possessed.

In what other form, for instance, can you buy property that increases in value every year and is guaranteed against depreciation? What other property is realizable in full and without delay by your dependents in case you die and with all future instalments cancelled, yet guarantees you a guaranteed income if you live?

Life Insurance is "property" that always has a guaranteed capital value and a guaranteed income value.

THE MANUFACTURERS LIFE INSURANCE COMPANY
(Established 1887)
HEAD OFFICE TORONTO, CANADA

Canadian Celanese Limited

ANNUAL REPORT — 1945

DIRECTORS' REPORT

To the Shareholders of Canadian Celanese Limited:

We take pleasure in presenting herewith the Annual Report of your Company for the year 1945.

The accompanying Balance Sheet and the related Statements of Income and Expenditure and Earned Surplus have been prepared on a comparative basis showing the position of your Company at December 31, 1945 and December 31, 1944, and the result of its operations for the years 1945 and 1944. Also included are Statements of Special Surplus and Special Reserve as at December 31, 1945.

Net Profit for the year 1945 amounted to $1,638,531.39, of which $371,000.00, being the refundable portion of excess profits tax, was transferred to Special Surplus Account and the balance of $1,267,531.89 was transferred to Earned Surplus.

Dominion, Provincial and Municipal taxes, paid or provided for and charged against income for 1945, amounted to $2,910,919.06.

Despite the severe shortage of materials and labor, much progress was made in the installation of plant to provide for additional filament yarn and the production of cellulose acetate staple. It is anticipated that a part of this new plant will now be brought into production within the next few months. Capital Expenditures for plant and equipment during 1945 amounted to $1,225,532.46 compared with $1,019,791.28 during 1944. Further substantial commitments have been made looking to the completion of the general expansion program.

Under a Compromise or Arrangement approved by the Shareholders at a Special Meeting held on August 22, 1945, and confirmed by Supplementary Letters Patent on August 27, 1945, the former 7% Cumulative Participating Preferred Shares, $100 par value each, became changed into Preferred Shares, $1.75 Series, $25 par value each, and Common Shares on the basis of four Preferred Shares, $1.75 Series and one-half Common Share for each 7% Cumulative Participating Preferred Share. The Preferred Shares, $1.75 Series are non-participating and are redeemable.

Dividends paid during 1945 amounted to $1,327,818.00, of which $570,818.00 was paid to Common Shareholders.

For the Board of Directors,
CAMILLE DREYFUS,
President.

March 5, 1946.

COMPARATIVE BALANCE SHEET
AS AT DECEMBER 31, 1945 AND DECEMBER 31, 1944

ASSETS

CURRENT:	1945	1944
Cash on Hand and in Banks	$ 3,869,892.71	$ 4,887,054.91
Government Bonds and Other Securities, at cost (approximate market value 1945, $6,121,000.00; 1944, $5,309,700.00)	4,961,378.15	4,675,191.13
Trade Debtors, less Reserve	959,970.80	940,935.79
Other Accounts Receivable and Accrued Interest	28,961.10	33,925.92
Inventories of Raw Materials, Supplies, Work in Process and Finished Goods, as determined and certified by the Management and valued at cost or market, whichever was lower	1,895,275.42	1,957,191.26
	11,715,478.18	12,494,299.01
DEFERRED AND PREPAID CHARGES:		
Unexpired Insurance and Taxes	169,620.73	26,331.36
Expenses applicable to future operations	1,464.31	3,040.00
Cost of Income Funding Rights purchased in anticipation of Sinking Fund requirements	65,130.12	56,433.12
Debenture discount and expenses, less amount amortized	128,923.25	138,356.65
	365,138.41	224,161.13
Securities held for Investment, valued at cost	107,185.63	195,574.39
Refundable portion of Excess Profits Tax	1,411,000.00	1,040,000.00
FIXED:		
Real Estate, Plant, Machinery and Equipment, at cost	15,869,541.16	14,940,050.37
Patents and Trade Marks	1,035,557.61	1,027,377.52
Special Fund re Income Funding Rights, as per contra	367,,200.00	367,200.00
	$30,871,100.99	$30,288,662.42

Assets held for Special Fund:	1945	1944
Government Bonds at cost (market value 1945, $180,000.00; 1944, $188,000.00)	$178,000.00	$189,000.00
Income Funding Rights valued at $25.00 per Right — 1945, 7,568 Rights; 1944, 7,128 Rights	189,200.00	178,200.00
	$367,200.00	$367,200.00

See accompanying notes to the Balance Sheet.

Approved on behalf of the Board:
P. A. THOMSON, Director.
A. SCHWARTZ, Director.

LIABILITIES

CURRENT:	1945	1944
Accounts Payable and Accrued Liabilities	$ 564,182.39	$ 638,691.74
Dominion and Provincial Taxes	1,449,866.21	1,365,267.50
Interest on Income Funding Rights	59,202.00	62,499.00
Accrued Interest on Debentures	58,732.88	58,732.88
	2,131,983.48	2,125,191.12
3½% DEBENTURES due September 1, 1959 Authorized and Issued	5,000,000.00	5,000,000.00
RESERVES:		
For Depreciation of Buildings, Machinery and Equipment	6,032,392.23	5,734,165.34
For Amortization of Patents	683,295.95	620,272.81
Special Reserve	450,000.00	500,000.00
Inventory Reserve	43,000.00	56,000.00
	7,208,688.18	6,910,438.15
CAPITAL STOCK:		
Authorized—		
At December 31, 1945:		
600,000 Preferred Shares, par value $25.00 per share		
750,000 Common Shares, without par value		
At December 31, 1944:		
150,000 7% Cumulative Participating Preferred Shares, par value $100.00 per share		
300,000 Common Shares, without par value		
Issued and Outstanding—		
At December 31, 1945:		
400,000 Preferred Shares, $1.75 Series (cumulative, redeemable)	10,000,000.00	
310,409 Common Shares	1,219,045.00	
At December 31, 1944:		
100,000 Participating Preferred Shares		10,000,000.00
260,409 Common Shares		1,169,045.00
Income Funding Rights having the attributes set forth in Special By-Law "A": Number of Rights outstanding at December 31 (as per footnote 3) — 1945: 59,202; 1944: 62,499		
Balance of Sinking Fund re Income Funding Rights set aside in accordance with the provisions of Clause 3 of Special By-Law "A"	9.00	11.00
Special Fund re Income Funding Rights, as per contra, set aside in accordance with the provisions of Clause 5 of Special By-Law "A"	367,200.00	367,200.00
SURPLUS ACCOUNTS:		
Distributable Surplus, set aside in 1936 in accordance with the provisions of sub-section 7 of section 12 of The Companies Act, 1934	62,500.00	62,500.00
Special Surplus, being the refundable portion of the Excess Profits Tax	1,411,000.00	1,040,000.00
Earned Surplus, per Statement attached	3,470,675.33	3,614,277.15
	$30,871,100.99	$30,288,662.42

This is the Balance Sheet referred to in our attached Report of even date.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, February 25, 1946.

COMPARATIVE STATEMENT OF INCOME AND EXPENDITURE FOR THE TWO YEARS ENDED DECEMBER 31, 1945

	Year ended December 31 1945	1944
Net Operating Profit before taking up the items below	$4,816,587.72	$4,857,920.23
Income from Investments	203,557.60	133,525.68
Profit on Income Funding Rights purchased for Special Fund and for Sinking Fund	5,358.75	5,803.49
Profit on Investment Securities sold	34,328.37	11,503.98
	5,059,832.44	5,008,753.38
Remuneration of Executive Officers and Directors required to be shown separately under Section 113 (2) of The Companies Act	124,774.85	129,960.09
Fees of Directors not included above	10,335.60	7,264.40
Legal Fees	19,065.00	19,025.00
Depreciation of Plant, Machinery and Equipment	527,371.23	509,752.27
Special Depreciation of Machinery and Equipment (as per claim filed)	66,897.33	133,794.67
Amortization of Patents	13,023.14	13,862.33
Interest on Debentures	175,000.00	52,979.48
Amortization of Debenture discount and expenses	9,433.40	3,144.47
Inventory Reserve	13,000.00	—
Provision for Dominion Income Tax and Excess Profits Tax (less refundable portion of Excess Profits Tax, $371,000.00 in 1945 and $371,000.00 in 1944)	2,368,000.00	2,374,000.00
	3,298,900.55	3,243,782.71
Net Profit before provision for Interest and Sinking Fund re Income Funding Rights	1,760,931.89	1,764,970.67
Deduct:		
Interest on Income Funding Rights	59,202.00	62,499.00
Sinking Fund for Income Funding Rights	63,198.00	59,901.00
	122,400.00	122,400.00
Net Profit for year	1,638,531.89	1,642,570.67
Deduct:		
Amount equivalent to refundable portion of Excess Profits Tax transferred to Special Surplus Account	371,000.00	371,000.00
Balance of Net Profit for year transferred to Comparative Statement of Earned Surplus	$1,267,531.89	$1,271,570.67

COMPARATIVE STATEMENT OF EARNED SURPLUS FOR THE TWO YEARS ENDED DECEMBER 31, 1945

	1945	1944
Earned Surplus at beginning of year	$3,614,277.15	$3,616,524.48
Deduct:		
Transfer to Capital Stock of an amount equivalent to $1.00 per share on 50,000 shares of Common stock issued under the terms of the Compromise or Arrangement of July 10, 1945	50,000.00	
Expenses incurred in connection with changes in Capital Stock	33,315.71	
	83,315.71	—
	3,530,961.44	3,616,524.48
Add:		
Balance of Net Profit for year transferred from Comparative Statement of Income and Expenditure	1,267,531.89	1,271,570.67
	4,798,493.33	4,888,095.15
Deduct:		
Dividends Paid:		
Participating Preferred Shares:		
For 1945—$5.25 per share for the nine months ended September 30, 1945 and Participating Dividend of 57 cents per share	582,000.00	
For 1944—$7.00 per share and Participating Dividend of 53 cents per share		753,000.00
Preferred Shares, $1.75 Series: 43.75 cents per share for the three months ended December 31, 1945	175,000.00	—
Common Shares: $2.00 per share	570,818.00	520,818.00
	1,327,818.00	1,273,818.00
Earned Surplus at end of year	$3,470,675.33	$3,614,277.15

Notes to the Balance Sheet.

1. Commitments made by the Company as at December 31, 1945, for the construction of Buildings and the purchase of Machinery and Equipment totalling approximately $1,200,000.00 are not reflected in the accompanying Balance Sheet.

2. Under the terms of the Compromise or Arrangement of July 10, 1945, effective at the close of business on September 30, 1945:

   (a) The 150,000 authorized Participating Preferred Shares of the par value of $100.00 each were changed and subdivided into 600,000 Preferred Shares of the par value of $25.00 each. Of the said 600,000 Preferred Shares, 400,000 Preferred Shares resulting from the change and subdivision of the 100,000 outstanding Participating Preferred Shares were issued as "Preferred Shares, $1.75 Series."

   (b) The Capital of the Company was increased by the creation of 450,000 additional Common Shares without par value and 50,000 Common Shares were issued as fully paid to the holders of the Participating Preferred Shares by the transfer from Earned Surplus to Capital Stock of $1.00 per share.

3. Details of Income Funding Rights:

	1945	1944
Rights issued under the Scheme of Arrangement of November 7, 1934	90,000	90,000
Less:		
Rights purchased by the Company:		
Held in Special Fund	7,568	7,128
Held in anticipation of Sinking Fund requirements	2,808	2,479
Delivered to Sinking Fund	20,422	17,894
Rights outstanding at December 31	59,202	62,499

(Rights purchased by the Company cannot be reissued)

STATEMENT OF SPECIAL SURPLUS
(REFUNDABLE PORTION OF THE EXCESS PROFITS TAX)
AS AT DECEMBER 31, 1945

Balance at credit January 1, 1945	$1,040,000.00
Add:	
Amount equivalent to refundable portion of Excess Profits Tax for 1945	371,000.00
Balance at credit December 31, 1945	$1,411,000.00

STATEMENT OF SPECIAL RESERVE AS AT DECEMBER 31, 1945

Balance at credit January 1, 1945	$ 500,000.00
Deduct:	
Amount transferred to Reserve for Amortization of Patents	50,000.00
Balance at credit, December 31, 1945	$ 450,000.00

AUDITORS' REPORT TO THE SHAREHOLDERS

Canadian Celanese Limited,
Montreal.

We have examined the accompanying Balance Sheet of Canadian Celanese Limited as at December 31, 1945, and the related Statements of Income and Expenditure and Earned Surplus for the year ended on that date. In connection therewith, we have examined or tested accounting records of the Company and other supporting evidence and have obtained all the information and explanations we have required, but we have not made a detailed audit of the transactions.

In our opinion, the accompanying Balance Sheet and related Statements of Income and Expenditure and Earned Surplus are properly drawn up so as to exhibit a true and correct view of the financial position of the Company as at December 31, 1945, and the result of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, February 25, 1946.

If you are an ex-serviceman, getting re-established in civilian life you will find your local Bank Manager a useful man to consult.

He is familiar with local business conditions and opportunities; he is glad to give helpful information to any veteran who comes to see him.

He knows the hopes and fears, joys and worries of small business men, wage-earners and salaried workers, because he has been talking to them over many years—considering their problems, lending them money, rendering them service in many ways. He'll be glad to do the same for you.

Why not talk to him at the first opportunity? Veterans all over Canada are saying: *"Boy—am I glad I saw my Bank Manager!"*

This Advertisement is Sponsored by your Bank

Washing Machines Temporarily Easier

Production of domestic-type washing machines for January, 1946, is reported by DBS at 8,942 units—7,722 electric, 468 gasoline, 752 hand-operated. No accurately comparable figures were compiled before the war, but it is estimated that this would run to about 70% of 1939.

Washing machine manufacturers warn against over-optimism in the face of this one-month report. The Financial Post was told that preliminary reports for February show a drastic drop. Shortage of motors, steel castings, other vital parts are blamed for the slowdown.

Imports of washing machines in January reached 545 units, valued at $35,438—estimated at about 30% of pre-war. Only 156 machines, valued at $10,696, were exported in January—roughly 10% of pre-war.

March 16, 1946 THE FINANCIAL POST Page 6

The Editorial Page

Wanted — A Car For Canada

"Why don't some of the auto makers produce a model that's properly fitted for a climate like Canada's?"

We had often wondered the same thing, but not until a prominent engineer let loose the above lament the other day have we dared mention it.

It was pointed out that the car makers have never hesitated about adding to the number of models, but that not one of all the scads of models was ever tailored particularly to a climate like Canada's.

Here are some of the items suggested by the engineer: A different cooling system to get rid of split radiators and the long bother of antifreeze.

Why not better interior heating systems—built-in and "engineered-in" heaters; defrosting and windshield wiping systems that do a complete job and wipers that will wash off mud. There could be better insulation of the body and better protection of running gear, brakes, etc., against water, ice, grit, etc. Trunk and door design that won't hold water, hence freeze up tight, is another of our engineer's requests.

All this, says our informant, would add little to cost and, he thinks, would find many eager Canadian buyers who get pretty tired of the winter pampering their present "hot weather" models require.

Since the motor men are getting this suggestion at ten cents a copy, we add another free:

Some car designer is going to endear himself to millions when he turns out an interior that can be kept clean—not spotless, not necessarily tidy as a drawing room—just a little cleaner than a pig-sty.

Present car interiors may be all right for the folk with chauffeurs and for those who can or will spend part of every day wiping and brushing and rooting into the almost-impossible-to-get-at places inside the body.

But the rest of us will have garlands of purchase orders for the designers who do something for the driver, who, most of the time, does his own automobile "housework."

Dear Mr. Editor:
Obviously you haven't seen the new NASH! We invite you to see and ride in the only car that gives you what you ask for.

YOU'LL BE AHEAD WITH Nash

SEE YOUR NASH DEALER

LONDON CALLING—BY ADELPHI

Canada Loan Welcomed Bevin Defies Leftists

LONDON (By Cable) — After Germany's defeat in 1918, everyone knew there would never be another war. After Germany's defeat in 1945, no one believes there will be peace. Perhaps this is a healthy sign. One thing is certain, no aggressor nation will be able to prepare for war behind airy clouds of pacifism and unsound idealism.

Almost everyone here is doubtful about Winston Churchill's speech at Fulton, Mo., but glad he made it. Once more he is the world's greatest figure. A few Socialist M.P.'s tried to arrange a parliamentary debate to censure him, but Premier Attlee replied that he could not control the speech of anyone speaking in a purely personal capacity.

Politicians with more shrewdness, think the shock of Churchill's words may do much to stabilize a situation which was rapidly deteriorating. Some 70 left-wing Socialists have formed a group to try to influence Ernest Bevin's policy toward left-wing movements in Europe. Their leader is that fine old English gentleman Konni Zilliacus, member of Parliament for Gateshead. A highly-educated radical, who was at the League of Nations in Geneva for 20 years, he is said to have ambitions in the direction of the Foreign Office. If he is not careful, Bevin will bite him, some day.

• • •

Canada's Loan Get's Big Hand

There was a moving scene in the House of Commons when the terms of the Canadian loan and financial settlement, were announced by Premier Attlee. The unswerving loyalty and warmth of Canada toward the Mother Country mean something which could only be understood by us who live here, and who feel the cold winds of criticism from so many directions. Members received the announcement with a silence more eloquent than cheers. When it was over, they gave full throat, not only in the Chamber, but in the lobbies. Even those who said, quite rightly, that it ought to be beneficial to Canada as well as to Britain, were not less grateful or understanding. If good wishes and kind thoughts could carry Canada to greatness, they are here in abundance.

• • •

And now, an automobile workers' strike! This has been engendered by the shop stewards, in defiance of the unions, and many see in this, the first result of waning trade union influence, in the face of expanding nationalization. Ernest Bevin was pensioned off from the trade unions a few days ago, because he is 65 and Sir Walter Citrine has taken a highly-paid job with the new Coal Board, so the unions are much weakened in leadership.

The long theatre boom is definite-over, with the result that dramatic critics are faced with four or five new plays every week. The only author who shows no sign of slackening off is Shakespeare, and he is doing an enormous business in two big theatres. Motion pictures are in the doldrums because of a long succession of poor Hollywood films. Clark Gable, who won our respect as a brave and modest airman, has made a painful come-back, in a picture which is embarrassingly bad.

• • •

"Monty" Doesn't Pull Punches

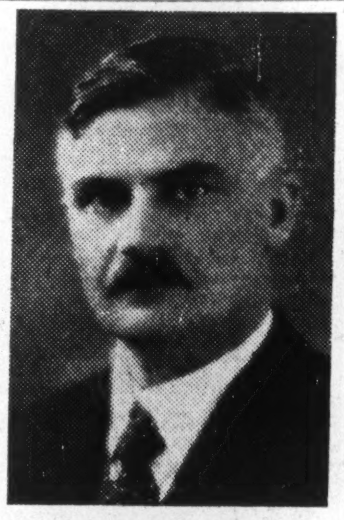
Field Marshal Montgomery, named to become chief of imperial staff, is very outspoken here about lack of co-ordination in administering Germany. He has been cautious in his public utterances, but in private he pulls no punches.

Field Marshal Viscount Alexander, Canada's Governor-General designate, is brushing up his French, determined to speak both Canada's languages. Left-wing Socialists were shocked by another Alexander, First Lord of the Admiralty, who told Parliament the Navy would never again be allowed to decline in strength as after 1918. The Tories cheered him, while the Socialists listened in grim silence. Alexander, Sir Stafford Cripps and Lord Pethick-Lawrence believe they will reach a final settlement in India. (They left for that country Mar. 19.)

The London County Council election, as expected, showed considerable Socialist gains, but the rest of the country disappointed them. London has become a great Socialist stronghold.

• • •

The medical profession is wondering of what the British people are made. "The people here have never been so tired, yet so free from sickness" they state. In spite of everything, there is a rising optimism about Britain's future, which is partly attributable to the unconquerable spirit of the island race and partly to the unity of the Empire, which is stronger even than in the war. Those who are waiting to drop earth on John Bull's coffin, will have to wait a bit longer.



RENE MORIN

has been appointed vice-president and managing director of the General Trust of Canada, of which he was formerly general manager.

W.A.C. Sales Up As Costs Drop

While the sale of Crown-owned land, buildings, machinery and equipment turned in by the armed services had soared to more than $19.5 millions by the end of February, and costs of this disposal have totalled more than $7 millions, War Assets Corporation reports that the cost of selling Canada's surplus war material has been reduced from about $13 per $100 realized to between $8 and $9. January's sales were nearly $5 millions more than the total for the whole fiscal year 1944-45. The greatly accelerated increase is attributed to the fact that a greater amount of material became available for disposal after the end of hostilities.

The reduction in selling costs has been accomplished without disturbing the wage and salary structure of the corporation. Actually, in individual cases, these figures have been slightly increased, while the staff has been augmented from 1,800 on the payroll last August to 4,200 at the beginning of 1946. Extensive reorganization instituted following the appointment of J. H. Berry as president six months ago, was followed shortly by the Japanese surrender so that the streamlined operations were augmented by a greatly increased inventory.

In its operations, War Assets has been able to turn over to the Receiver-General of Canada between 40 and 50% of the original cost of land, while recovery from expenditures on machinery and equipment average about 35%.

The Corporation is also faced with priorities which cause considerable difficulty in disposing of their inventory. Provincial and municipal governments and public bodies, in that order, have a first call on anything sold by War Assets, and often fail to exercise it before bids are received by private individuals and companies. This situation will be rectified, it is believed, by the offering of such materials to those entitled to first refusal on them on a "take-it-at-this-price-or-leave-it" basis.

FRANK "BUDD" LYNCH

At the Radio Executives Banquet in Toronto on February 18th, Frank "Budd" Lynch was awarded the Beaver Award for 1945 by Richard G. Lewis, editor and publisher of Canadian Broadcaster. The award was given to "Budd" for Distinguished Service to Canadian Radio in World War II.

After being hospitalized in France and England due to an arm amputation "Budd" refused a trip home and remained overseas to do troop broadcasting with the Allied Expeditionary Forces Program of the B.B.C. as producer, writer and announcer. In the spring of 1945 he returned to Canada as supervisor of the forces section of the C.B.C. International Service, Canada's Short Wave Voice to Europe.

"Budd" is back in civilian life as Director of Public Relations and Special Events at CKLW. He also holds the rank of Captain in the Essex Scottish Reserve Battalion.

Two other members of CKLW's staff, Campbell Ritchie and Don Sharon served on overseas radio assignments, after field service with the Canadian Army overseas.

Representatives
ADAM J. YOUNG JR. INC., U.S.A.
H. N. STOVIN, CANADA

J. E. CAMPEAU, Managing Director
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Vancouver Gets Bus Line Offer

VANCOUVER (Staff)—Plans for a comprehensive bus system have been outlined to City Council by H. L. Sangster, managing director of Blue Line Transit, Victoria.

The offer, contingent on a 20-year exclusive bus franchise, includes (1) expenditure of $8 millions to place 500 buses in operation, at the same fares now being charged by the B. C. Electric Railway Co. Ltd.; (2) expenditure of $5 millions for streetcar track removal and road improvements, conditional on exemption from the provincial government's seven cents a gallon gasoline tax; (3) payment to the city of $250,000 annually.

A U. S. bus manufacturing company (Mack) has assured Sangster that delivery of a 500-bus order could be started in Nov., 1946, and completed in April, 1947.

The proposal, to be studied by city council, is complicated by (1) B. C. Electric's perpetual franchise for streetcar operation; (2) B. C. Electric's own plans for a 10-year expansion program, including inauguration of trolley bus service; (3) possibility that the city itself may decide on public ownership of a civic transportation system.

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The Case of the Vanishing Customer

Taxes and price boosts have cut the buying power of one of industry's best customers in two. Here's the problem and what it means to Canadian business.

For about 65,000 Canadians in the upper income groups, the story of what has happened to the spending power of Canadians with incomes of $5,000 and up is a starkly personal tale of whittled budgets and drastically limited spending.

But for business as a whole, the slaughter of the upper income buyer will create a problem of almost crisis proportions. The tax-trimming that this important customer has taken will have to be reckoned with by almost every producer and merchandiser in Canada in varying degree.

The producer of "luxury" goods, particularly the higher-priced lines, would appear to face the most drastic readjustment, but some of the pinch will undoubtedly be felt in products that are generally classed as essential. Many of the goods most affected have been scarce during wartime, and this fact, plus stored-up buying power, may postpone the day of decision. In the final analysis, where and when the axe falls will be strictly up to the $5,000-a-year man himself.

Take a look at what has happened to the hypothetical $5,000 a year customer since 1939. The accompanying table shows the detail. Here are some of the broad conclusions:

—Where Mr. X was able to meet his essential needs for $2,799 in 1939, he now needs $4,028.

—Where Mr. X had a "surplus" for such "luxuries" as insurance, saving for old age, new automobiles, etc. of $2,201 in 1939, he now has a surplus of $972.

—Mr. X is less than half as good a customer for "luxury goods" as he was in 1939.

—If even a few of the "luxury" items are a necessity for Mr. X's business or social life, he is only about a quarter as good a customer for the other "luxury" trades.

—Where Mr. X could buy all the "luxuries" listed for $2,180 in 1939, they would now cost him $2,800.

In a country dedicated to progressively higher standards of living, any crisis in the "luxury" trades is a crisis for all trade. The automobile was a rich man's toy in 1910, a common convenience in the twenties. The radio "fad" of the early twenties had become a household necessity in the thirties. And in each case it was the "luxury" buyer, the man with some "surplus" income who helped the pioneers. He was the man who bought and tested the first horseless carriage, the first battery radios. In the development of almost all the products that have raised standards of living and created new employment, the $5,000-a-year man has functioned as a sort of combined financial backer and test pilot.

But today the $5,000-a-year man with a wife and two children is a vastly different type of customer from what he was in 1939. Basically he hasn't changed any: his tastes are the same. But the economics of the situation today are such that he will think long—and perhaps halt—before buying much beyond the basic necessities of life, food, shelter and clothing.

50% Cut in "Surplus"

Let's see what has happened to change the spending habits of our hypothetical man.

At the start of the war Mr. X paid to the government in taxes three cents of every dollar he earned: today he earmarks for taxes 18 cents out of every dollar he earns.

Even without taking taxes into account, Mr. X is a poorer man than he was in 1939. Basic living costs now take 63 cents of his dollar, against 53 cents in 1939. And when you combine the effects of living cost increases with the boost in taxes, you find that Mr. X has only 19 cents of his earned dollar for "luxury" spending, against 44 cents before the war. In terms of total spending power his surplus is $972 compared with $2,201 in 1939.

In the accompanying chart, "luxury" items have been symbolized by such products as a grand piano. But for dividing Mr. X's income between essential and luxury spending, a much broader definition of "luxury" has been used. The Post has classed as a "luxury" all those things which might conceivably be dispensed with. Mr. X has been allowed a fair home, fair clothes, fair food, but, nothing more. Everything else has to come out of his "surplus" income.

This is obviously an arbitrary division, and many $5,000-a-year men will find one or more essentials in the so-called "luxury" section. But most of the items in the surplus class can be dispensed with, in theory at least. For example—saving and insurance can be ignored, although the penalties of so doing are obvious. A car or a hobby or a vacation can similarly be dispensed with, although it is clear that in many cases such sacrifices would be harmful to the $5,000-a-year man's earning power.

Competition Coming

But regardless of the accuracy of this distinction between "essentials" and "luxuries," one fact stands out. By and large, the individuals and firms supplying the luxury goods and services will have to compete with one another and the prize is now less than half as big as it used to be. Housemaid and life insurance salesman, car dealer and summer resort proprietor now have to share $972 from Mr. X—formerly they found plenty of elbow room in his 1939 surplus of $2,201. And a budget that would permit Mr. X to buy a new car every year, keep a maid, provide adequate insurance and so on, all of which he could have bought out of his $5,000 a year pre-war income, would now run him $1,828 into debt every year. The price tags on the "luxury" items have for the most part risen just as high as Mr. X's other costs.

Only bright side to the picture is that there are more people in the higher brackets than ever before. In 1939 there were some 30,000 Canadians earning $5,000 to $10,000 a year: in 1944 there were 48,200 Canadians paying taxes on $5,000-$10,000 a year.

Individually they are poorer luxury customers than they were pre-war. Retainable income, after taxes, in this class averaged $6,500 in 1939, only $4,700 in 1944, according to DBS statistics.

Collectively, however, they represent broader markets than their 1939 counterpart. Their total spendable income, after taxes, in 1939 was $193 millions; in 1944 it was $227 millions.

But don't forget that these favorable figures cover only the $5,000 to $10,000 bracket. If you take in all higher brackets, you will find that the 65,000 who earned $5,000 and over in 1944 actually had less money to spend than the 41,400 who earned $5,000 and over in 1939. The comparative figures for the two years are $381 millions in 1944, $394 millions in 1939. And the 1944 figure includes as spendable income $9.2 millions of compulsory savings!

Allowing for the 16% current tax cut, the collective spending power of the $5,000 and over would appear to be about as great as it was in 1939. But it is painfully clear that it is now in much smaller packages, that the total pool is shared by 65,000 incomes instead of by 41,400 and that it has to be stretched to cover sharply higher costs for basic essentials, not to mention the higher cost of "luxury" goods and services.

Barring further tax cuts, lower costs of food, clothing and shelter, it's clear that a crisis is in the making for the luxury trades. That crisis will, of course, be postponed by the big backlog of buying power that has been saved during the war. Canadians today have an estimated $9.5 billions in bank deposits and government bonds. In 1939 they had $2 billions. "Luxury" goods can still float freely on a sea of hoarded buying power.

But this backlog of purchasing power can't be considered a permanent part of our economy. As soon as consumer goods come on the market in larger quantities, much of this backlog will be used up. Then the question will arise: how can industry find a steady market for its "luxury" goods? Consumer resistance will undoubtedly be strong, after the initial sales flurry has mopped up the backlog of cash, bank deposits and bonds. How can this resistance be met, how can it be overcome? These are the questions which will very shortly be facing industry.

Thus there is brought into sharp relief the whole question of industrial costs and pricing policies. There will be placed on management the problem of pricing their products on a basis that will attract purchasers who formerly had spending power which made price considerations less important than they are now.

The statistics show that the volume market is here. They also show, however, that manufacturers of other than basic necessities must turn out their goods at a lower per unit selling price than ever before, if they are to acquire and maintain markets. The technological improvements that came as a by-product of war will now have to be adapted to peacetime production to give mass production at prices within range of this new and poorer $5,000 a year man, and his counterpart in other income brackets.

What's the Answer?

It is at once both a challenge and an opportunity to industry: a challenge which, if met, will mean more employment opportunities rather than fewer; more sales and broader markets.

It may be that new methods, techniques and materials developed during the war will be adapted to production of civilian "luxury" goods at lower prices than in the past. These gains of technological improvement may enable industry to meet the challenge to sales brought about by the progressive "pauperization" of the $5,000-a-year man. He must be able to buy the goods and services he wants at prices he can pay, and industry must face that fact.

Failing lower unit prices, the 1946 $5,000 a year man could still be the "luxury" customer he once was if his tax liability were reduced. However, the annual income tax promises to remain a major item in the living costs of the middle income groups.

He can still be a better customer than his surplus spending power figure would suggest, if installment buying is further developed. This would ease his problem, postpone it, but certainly not solve it. It would merely delay the day of reckoning.

Obviously the real answer is more and better goods at lower prices: the application of the mass production technique to luxury items which formerly sold on the basis of craftsmanship: fewer de luxe jobs, more standardized models.

But industry can go just so far in reducing prices. Costs must be kept down if the consumer is to be given the economies which must be achieved if production is to be sustained. And, in the last analysis, costs are often beyond the control of management. Labor must co-operate in keeping costs down, as a consumer, if labor is to buy; as a worker, if labor is to stay employed.

Or the $5,000 a year customer may decide to retire from the market for "luxury" goods — for radios, motor cars, etc.—in large part, once his "must" list of post-war luxuries have been provided for. This situation may develop but it is not one that can be regarded with equanimity. Traditionally the impetus to new employment and prosperity has always been activity in this so-called luxury field. To continue to play that historical role, the "luxury" trades must solve the problem of the loss of their best customer.

EXPENSE SHEET

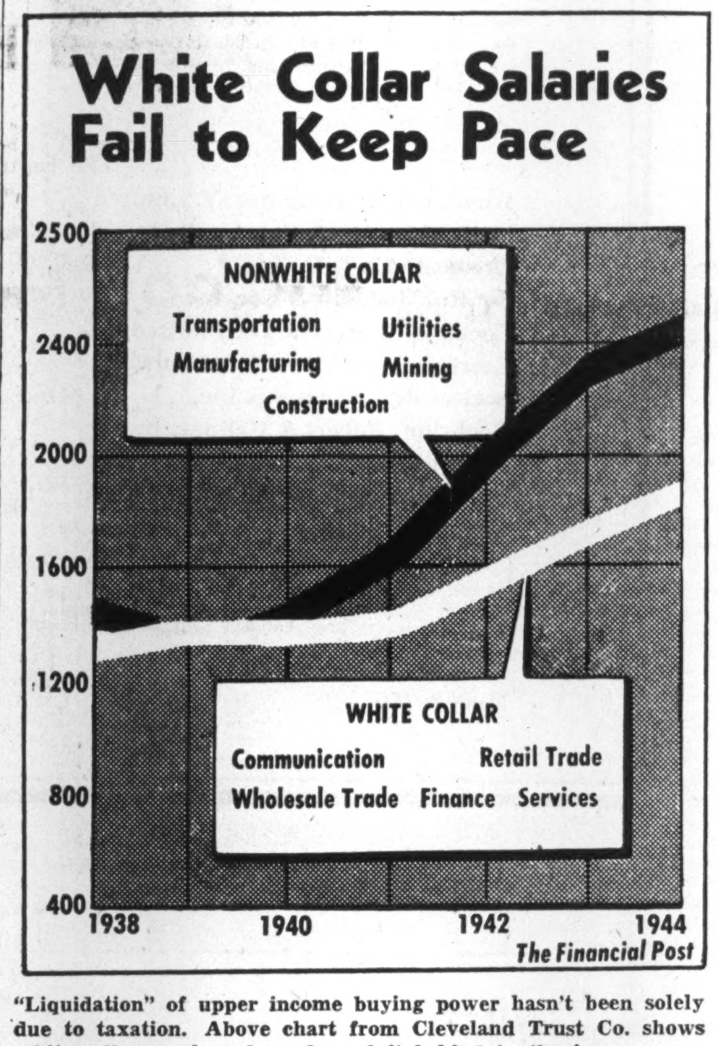
FOR $5,000 A YEAR LIVING STANDARD

	1939	1946
Food	$ 840	$1,150
Rent	900	900
Heat	130	155
Utilities	106	106
Clothing	480	600
Health	150	150
Church	75	75
Taxes	118	892
Basic Costs	$2,799	$4,028
'Surplus'	$2,201	$972

	1939	1946
Car	$ 420	$ 550
Furniture	100	100
Savings	600	600
Insurance	300	300
Maid	510	900
Vacation	150	150
Entertaining	100	200
'Luxury' Costs	$2,180	$2,800
Total Costs	$4,979	$6,828
1946 Deficit		$1,828

Business Year Book

Above expense sheet shows the allocation of the income of a hypothetical $5,000-a-year man, married with two children. Since no indexes have been compiled for the living costs of upper income groups, the expenditures are selected on an arbitrary basis. Chief purpose of the comparison is to illustrate that the $5,000-a-year man has less than half as much "surplus" buying power as he had in 1939.



"Liquidation" of upper income buying power hasn't been solely due to taxation. Above chart from Cleveland Trust Co. shows white-collar workers have been left behind in the income race.

See Few Luxuries Higher As Price Ceiling Eased

Silver-plated hollow-ware — tea sets, flower baskets, butter dishes and sundry other wedding gift candidates—is the classification likely to show the most significant price rise as a result of the latest WPTB ceiling-easing order. Manufacturers, wholesalers and retailers of most of the other 300-odd items included, see little effect to the consumer. They say they do not wish to boost prices unless forced to do so, by greatly increased costs in the material and labor.

Silverware manufacturers tell The Financial Post that not only was the price of raw silver doubled to them by the first WPTB ceiling suspension early in February, but other costs have also been climbing. This is likely to force an increase of possibly 25% in retail price. It is understood that silver-plated flatware, still under price control, is now being reviewed by the WPTB. The silverware manufacturer's dilemma is further increased by difficulties in obtaining sufficient raw silver, even at the 78¼-cent price. Some feel that the price of raw silver may go even higher.

Other specific examples of price boosts resulting from the latest WPTB move occur in imported musical instruments and cameras from Europe and the United States, parts and accessories for firearms, specialty grocery items.

Principal groups of commodities on the new schedule follow, with price action probabilities as reported to The Post by leading operations in the various trades.

Artificial teeth, dentures—increases in cost of materials not likely to be passed on to consumer.

Stone monuments, memorials—cost of materials up 5-10% for nearly two years; some of this may be passed along.

Musical instruments (other than pianos)—no effect on goods now in stock; steep increases anticipated when new stock is bought at current European, English and U. S. prices.

Photographic equipment, not including chemical supplies—adjustments probable to bring Canadian prices into line with U. S. cost.

Woodenware and other Canadian National Institute for the Blind products—slight adjustments necessary in articles using materials from which import subsidy has been discontinued.

Portable lamps except those with textile shades—no increase foreseen.

Spices, herbs, prune nectar, vegetable sauce, pickles—no change foreseen.

Popping corn, potato chips, sunflower seed—no change.

Dietetic foods—little change.

Canned crabmeat, tuna fish, clams, shad, lobster, mussels, clam, caviar, anchovies—little available today; price increases likely if and when importation can be resumed.

Canned beets, carrots, mushrooms—increased price of mushrooms foreseen with new crop next fall.

Firearms parts, accessories not of textile or oil—About 20% increase, to equal U. S. price.

Equipment for basketball, volleyball, badminton, skating, skiing—little price increase anticipated, as supply is expected to be improved by next fall, when these lines will be in demand.

Jewel-set watches selling above $100—Current 25% increase in cost of small diamonds will probably result in 10 to 15% increase in price of jewel-set watches.

Furniture, automobile polishes—possible increase of 20-25% in polishes employing imported wax base.

Cigarette lighters—no change likely.

Big Development Plans To Give Ontario Deficit

"Setting our sights to the future," Ontario plans a postwar program which will entail a $21 millions deficit on ordinary revenue in the year ending March 31, 1947, Hon. Leslie Frost, Provincial Treasurer, told the legislature in presenting his budget (March 20).

This, however, provides for a $5.4 millions provision for a sinking fund, designed, "over a given period of years," to amortize the net debt of the province, Mr. Frost stressed. If new debts are created during the year, he promised, "provision will be made for their retirement on a serial plan, during the lifetime of the works for which they were incurred."

He also guaranteed that the deficit "will be overtaken from future ordinary revenues of the province," after termination of the Dominion-provincial conference, scheduled to resume late next month.

At the same time, touching on the subject of economic adjustments, he pointed out that at Confederation the federal subsidy of $1,196,872 paid to Ontario as compensation for its surrender of indirect taxation rights, equalled almost 50% of the provincial budget. Last year, at $3,155,007, the subsidy was only approximately 2.5%.

The treasurer forecast ordinary revenue of $120,217,311, and expenditures of $141,283,005, for the fiscal year starting April 1; capital revenue of $17,886,400, and expenditures, $32,328,000.

Increases in expenditure planned for various departments, include:

Highways, $7 millions; education $3.9 millions; health $3 millions; hydro $2 millions; agriculture $1.75 millions; public works $1.2 millions; lands & forests $1.2 millions; game & fisheries $1 million.

Gross provincial debt for 1945-46 was estimated at $640,790,401, a reduction of $5,693,110 in the past year; net debt at $479,721,308, a reduction of $587,648. For the year 1946-47, further reductions of $5,693,110 and $587,648 respectively, were forecast. (Not since net debt became a factor in government financing some 40 years ago, have three successive net debt reductions been announced, the treasurer commented, claiming "a new achievement in government financing").

Warning that the first year of normal postwar "expenditures may not come until 1948, 1949 or even later, he stressed that "we must raise our sights, in order that we may not only play our part in liquidating the immediate consequences of the war, but also, carry our program well into the post-transition period."

For the year ending March 31, 1946, Mr. Frost estimated a gross surplus of $6,052,000 (revenue $127,662,000, expenditures $121,610,600). Out of this surplus, $5.8 millions was advanced to school boards, representing 20% of their total grants for 1946; a net surplus of $252,000 remaining.

Other announcements were:

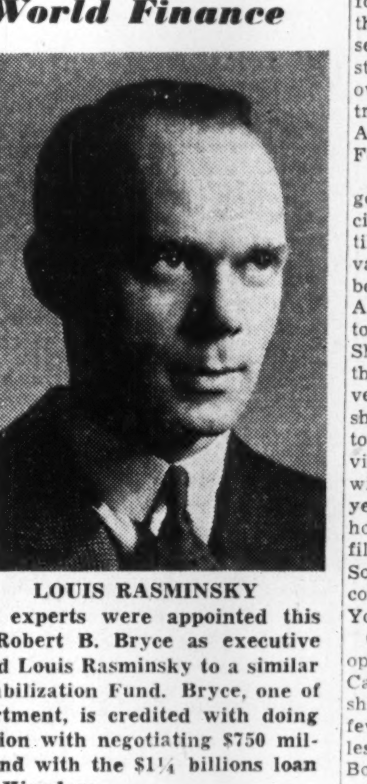
Liquor profits up approximately $6 millions over 1945 total of $18,713,000. (The treasurer reported liquor supplies available, up fourfold from a year ago, due to rescinding of wartime restrictions).

Provincial external debt reduced over $8 millions ($6,369,000 in U. S. funds, $2,020,319 in U. K.).

New loans totalling $59 millions, replacing earlier loans, save approximately $600,000 yearly in interest and foreign exchange, through lower interest rates.

To Help Steer World Finance

ROBERT B. BRYCE



LOUIS RASMINSKY

Two youthful Canadian financial experts were appointed this week to international bodies — Robert B. Bryce as executive director of the new World Bank, and Louis Rasminsky to a similar position in connection with the Stabilization Fund. Bryce, one of the top men in the Finance Department, is credited with doing bulk of the spade work in connection with negotiating $750 millions of Canadian exports credits, and with the $1¼ billions loan to the United Kingdom.

To Operate S. America Ship Route

MONTREAL (Staff) — Furness (Can.) Ltd., wholly-owned subsidiary of Furness, Withy & Co., has been formed to purchase three 10,000 tons of government-owned Park ships and to charter some others, and to operate them in a South American service. These ships are some of those included in a recent Reconstruction Dept. report listing government ship sales. (The Financial Post, Mar. 9, 1946.)

Ships purchased are the Elgin Park, Outremont Park and Fairmount Park. First sailing under private ownership will be from Saint John, N.B., in April and after that one a month will leave Montreal for South American ports.

Although the Canada-South America service will be a new venture for the Furness Co., it has been in the Great Britain-South America service for many years. And while still operated as a government-owned fleet, Park ships opened the trade routes from Canada to South America (see The Financial Post, Feb. 2, 1946.)

By selling off its Park fleet the government appears to have decided against operating a mercantile service. Big question for private operators is whether there will be sufficient Canadian-bound cargo. At present the Furness Co. expects to have full holds going both ways. Shipping men say, however, that the South American trade can stand very little competition so far as shipping is concerned, if ships are to operate at a profit. A pessimistic view is that even a half dozen ships will not be kept busy in a few years time. Furness Co. officials, however, say that if ships cannot be filled with Canadian-bound cargo, South American goods for other east coast ports, such as Boston and New York will likely be carried.

Canadian ships, however, still operate under direction of the Canadian Shipping Board, and with shipping space still at a premium, few ships are likely to sail carrying less than capacity. The Shipping Board is expected to continue allocation of ships until October.

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COMPANY REPORTS

WINDSOR HOTEL LTD. report a 158% increase in net profit for 1945 as facilities were taxed to meet the demands for accommodation. No dividends were paid ($0.40 in 1944).

President J. Alderic Raymond stated that a program of renovation and modernization would be carried out this year to whatever extent materials and labor permit. Plans have been completed to add 400 rooms by construction of a tower as soon as supplies are available.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$485,325	$296,157
Less: Deprec.	240,000	240,000
Bond interest	67,155	76,430
Income taxes	76,121	40,000
Net profit	102,049	39,727
Times Bond Interest Earned:		
Before deprec.	7.23	5.18
After deprec.	3.65	2.04
Earnings per Share and Dividend Record:		
Common	$1.04	$0.40
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds	$512,221	$473,786
Accts. rec.	60,306	35,215
Inventories	269,772	231,434
Total curr. assets	842,299	740,435
Co's. own bonds	618,273	375,063
Misc. assets	33,974	33,286
Fixed assets§	3,427,406	3,730,473
Total assets	4,921,952	4,879,257
Total curr. liab.	331,912	326,521
Funded debt	2,040,000	2,090,000
Capital stock	2,459,675	2,459,675
Surplus	90,365	3,061
§After depr. of	2,499,337	2,196,269
Working capital	510,387	413,914

CANADIAN WESTINGHOUSE CO.'s 1945 shipments were at the same high level as in previous four years, but operating profits show a reduction as a result of steadily increasing costs, due to price control regulations, president John R. Read states.

Unfilled orders carried forward into 1946, together with anticipated demand for electrical products during the reconstruction period, assure a continuation of steady production, provided raw materials and fabricated parts both from Canada and the United States can be obtained, the president says.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$3,650,729	$4,692,316
Less: Deprec.	524,574	517,174
Dom. taxes♦	1,380,000	2,380,000
Pension fund	300,000	300,000
Net profit*	1,446,155	1,495,142
Less: Dividends	1,105,526	1,092,000
Surplus for year	340,629	403,142
♦Incl. refund. EPT	95,000	300,000
*Note:—Co.'s report includes ref. EPT in net profit and surplus for year.		
Earnings per Share and Dividend Record:		
Earn.: Excl. ref. EPT	$2.52	$2.74
Incl. ref. EPT	2.69	3.29
Paid	*2.00	2.00

*Includes cash and stock.

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$3,818,073	$2,678,861
Accts. rec.	1,960,609	2,454,897
Expend. recov.	......	2,322,720
Invests.†	6,631,319	5,441,714
Inventories	7,189,363	7,846,370
Total curr. assets	19,599,364	20,744,562
Misc. assets▲	1,426,156	1,795,655
Fixed assets	4,933,256	4,140,132
Total assets	25,958,778	26,680,349
Accts. & tax. pay.	1,931,550	4,649,355
Other curr. liab.	2,204,741	2,744,056
Total curr. liab.	4,136,291	7,393,411
Re bldg. purch.*	600,000	......
General reserve▲	2,125,000	2,125,000
Capital stock	10,184,920	9,100,000
Surplus	■8,912,567	8,061,938
†Market value	6,837,462	5,599,607
▲Incl. refund. EPT	♦900,000	1,475,000
Working capital	15,463,073	13,351,151

*Secured by ref. EPT.
♦After renegotiation of war contracts.
▲Includes divd. of $415,000 from Hamilton Munitions.

NATIONAL BREWERIES LTD. report 1945 net earnings at $5.8 millions, up approximately $500,000. Net profits were down $128,200 as depreciation and taxes rose substantially.

President Norman J. Dawes said that supply could not keep pace with demand in 1945, although sales volume increased 5%. Sales were regulated by supply of barley malt, rationed to ensure wartime alcohol needed for explosives and synthetic rubber.

INCOME ACCOUNT

Years Ended Dec. 31:	1945†	1944
Net earnings	$5,754,008	$5,248,370
Less: Deprec.	296,816	190,042
Pension fund	......	195,000
Res. for taxes♦	3,553,094	2,831,000
Net profit▲	1,904,096	2,032,328
Less: Pref. divds.	194,250	194,250
Com. divds.	1,442,744	1,442,744
Surplus for year	267,102	395,334
♦Incl. refund. EPT	480,094	355,000
▲Note: Co.'s report includes ref. EPT in net profit and surplus for year.		
†Includes Frontenac Breweries.		
Earnings per Shares and Dividend Record:		
Pref.: Excl. ref. EPT	$17.15	$18.31
Incl. ref. EPT	21.48	21.51
Paid	1.75	1.75
Com.: Excl. ref. EPT	2.37	2.55
Incl. ref. EPT	3.04	3.04
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1945♦	1944
Cash	$375,865	$1,108,324
Accts. rec.	2,193,542	2,051,109
Investments‡	4,223,946	5,274,454
Inventories	3,968,526	3,715,582
Total curr. assets	10,761,879	12,149,469
Investments†	129,991	128,864
Misc. assets▲	1,521,863	793,455
Fixed assets*	5,727,504	5,411,814
Total assets	18,141,237	18,483,602
Accts. & tax. pay.	4,280,779	2,929,371
Pension approp.	......	1,500,000
Total curr. liab.	4,280,779	4,429,371
Amt. due subsid.	......	331,365
Capital stock	8,185,285	8,185,285
Surplus▲	5,675,173	°5,537,581
*After depr. of	8,556,020	7,097,812
‡Market value	4,493,520	5,445,175
▲Incl. refund. EPT	1,250,800	576,107

†Including $12,873 in 1944, $25,000 in 1945, subsid. co.
°After approp. for pensions of $1,500,000.

Working capital	6,481,100	7,720,098

♦Consolidated, incl. Frontenac Breweries.

G. TAMBLYN LTD. show a retained net profit rise for 1945 of 50%. The company's standard profit was set during the year, which would account largely for the increase, and resulted in addition of $130,043 to surplus. Gross sales, however, were highest on record, at $5,960,047, an increase of $303,602 over 1944. Operating expenses were considerably higher, due mainly to increased personnel.

A branch store has been opened in Cornwall and new units are planned.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$640,955	$597,910
Less: Deprec., etc.	50,408	47,864
Bank int.	1,370	396
Income tax res.♦	429,310	443,292
Net profit	159,867	106,358
Less: Pref. divds.	15,000	15,000
Common divds.	89,600	89,600
Surplus for year	55,267	1,758
♦Incl. refund. EPT	64,802	74,270
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$26.64	$17.73
Incl. ref. EPT	37.44	30.10
Paid	2.50	2.50
Com.: Excl. ref. EPT	1.29	0.82
Incl. ref. EPT	1.87	1.48
Paid	0.80	0.80

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & govt. bds.	$410,766	$483,683
Accts. rec.	11,382	17,861
Inventories	1,088,424	980,022
Total curr. assets	1,510,572	1,481,566
Inv. & adv. sub. Co.	3,000	3,000
Misc. assets▲	218,954	183,676
Fixed assets*	490,319	492,442
Total assets	2,222,845	2,160,684
Accts., etc., pay.	445,957	422,011
Taxes payable	75,972	248,220
Total current liab.	521,929	670,231
Capital stock	340,000	340,000
Capital surplus	411,900	411,900
Earned surplus▲	†949,016	738,553
*After depr. of	616,800	604,691
▲Incl. refund. EPT	199,018	173,865
Working capital	988,643	811,335

†Includes credit adjustment of $130,043 arising from determination of standard profit.

PAGE-HERSEY TUBES' 1945 net operating profit was down somewhat, but inclusive of income from securities and profit from securities sold, total net profit was up $47,577 from corresponding figure of 1944.

Total sales were up approximately 10% over 1944, and export shipments increased slightly, due to removal of certain restrictions in effect during 1944.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Oper. profit	$1,494,415	$1,501,774
Less: Deprec. res.	162,120	157,812
Tax reserve♦	639,993	587,470
Net oper. profit	692,302	756,492
Add: Inc. from secs.	194,363	152,354
Prof. on secs. sold	118,765	49,007
Net profit	1,005,430	957,853
Less: Com. divds.	866,068	865,536
Surplus for year	139,362	92,317
♦Incl. refund. EPT	8,601	34,210
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.44	■$5.50
Incl. ref. EPT	1.45	■5.69
Paid	1.25	■5.00

■Old stock, before 4 for 1 stock split.

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$449,085	$561,830
Accts. rec.	1,065,854	1,286,205
Investments‡	6,783,122	5,040,379
Inventories	2,567,696	3,508,550
Total curr. assets	10,865,757	10,396,964
Misc. assets▲	162,426	153,825
Fixed assets	7,559,534	7,331,867
Total assets	18,587,717	17,882,656
Total curr. liab.	2,606,388	2,211,412
Deprec. reserve	4,952,624	4,790,503
Capital stock	6,249,671	6,249,671
Earned surplus	2,762,756	2,762,756
Profit & loss bal.▲	2,016,278	1,868,314
‡Market value	7,408,031	5,647,632
▲Incl. refund. EPT	112,426	103,825
Working capital	8,259,369	8,185,552

CANADA STARCH CO. 1945 net profit was approximately half of that for the previous year. Reduced operations, due to shortage of corn, were mainly responsible. The Canadian corn crop was estimated at only about 40% of normal in 1945, and deliveries from the United States were extremely light.

Preferred dividend payment for the second half of the year was not paid because of reduced operations.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$381,618	$507,939
Less: Deprec.	212,385	206,070
Loss on invests.	225	950
Inc. tax res.	90,000	140,000
Net profit	79,008	160,919
Less: Pref. divds.	107,419	214,837
Deficit for year	28,411	53,918
Earnings per Share and Dividend Record:		
Pref.: Earned	$2.57	$5.24
Paid	3.50	.700
Common: Earned	d0.23	d0.91
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$516,915	$540,552
Accts. rec.	551,981	1,129,991
Cls. for govt. sub.	436,488	......
Inventories	1,056,840	1,492,768
Total curr. assets	2,562,224	3,163,331
Misc. assets	101,489	102,226
Fixed assets*	1,757,516	1,778,890
Total assets	4,421,229	5,044,447
Bank loan	205,148	597,240
Accts. & tax. pay.	481,568	684,283
Total curr. liab.	686,716	1,281,523
Conting. & invent. res.	67,092	67,092
Capital stock	3,365,725	3,365,725
Capital surplus	8,001	8,001
Earned surplus	293,695	322,106
*After depr. of	2,661,175	2,461,420
Working capital	1,875,508	1,881,808

CANADA STEAMSHIP LINES LTD. show 1945 net earnings and net profits up from 1944. Because of 1945 refunding operations, interest charges were reduced $244,850 or 43%.

President W. H. Coverdale reported 1945 gross revenues second largest on record, exceeded only by 1920. Most significant balance sheet change resulted from redemption of $11.3 millions of 5% first mortgage bonds and 6% bonds of the Kingston Elevator Co., replaced by $8.5 millions of 1st mortgage 3½% bonds of which $4 millions are serials, maturing $400,000 per annum from 1946 to 1955 inclusive.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$3,841,715	$3,768,744
Less: C.S.L. bond int.	329,642	509,250
K. E. Co. bond int.	......	65,242
Depreciation	1,429,243	1,471,563
Inc. tax res.♦	1,020,000	750,000
Net profit*	1,062,830	972,689
Less: Pref. divd.	573,125	573,125
Common divd.	300,000	300,000
Surplus for year	189,705	99,564
♦Incl. refund. EPT.	45,000	......
*Note: Co's. report includes ref. EPT in net profit and surplus for year.		
Times Bond Interest Earned:†		
Before deprec.	11.65	7.27
After deprec.	7.32	4.38
†After Kingston Elevator Co. bond interest in 1944.		
Earnings per Share and Dividend Record:		
Pref.: Ecl. ref. EPT.	$4.64	$4.24
Incl. ref. EPT	4.83	4.24
Paid	2.50	2.50
Com.: Earned	1.63	1.33
Incl. ref. EPT	1.78	1.33
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$3,168,308	$4,672,168
Guar. demand deps.	......	1,000,000
Accts. rec.	1,570,060	5,667,377
Inventories	1,922,990	8,958,795
Less progress pay.	......	11,500,000
Total curr. assets	6,661,358	8,798,340
Cash in trust	2,497,019	......
Inv. in subsid.	3,070,740	......
Misc. assets♦	1,343,543	3,699,628
Fixed assets*	19,807,709	19,194,334
Total assets	33,380,369	31,692,302
Total curr. liab.	2,996,708	2,158,702
C. S. L. 3½% bds.	8,100,000	......
Kingston E. 6% bds.	......	1,076,500
C. S. L. 5% bds.	......	10,185,000
Liab. re vessels	2,497,019	......
Reserves	360,000	360,000
Capital stock	14,854,000	14,854,000
Cap. surplus	1,279,837	......
Earned surplus♦	3,292,805	3,058,100
*After depr. of	23,820,655	25,348,283
♦Incl. refund. EPT	235,000	190,000
Working capital	3,664,650	6,639,638

REFUNDING ISSUE

$11,855,000

Quebec Power Company

First Mortgage and Collateral Trust Sinking Fund Bonds Series "E", 3%

To be dated March 1, 1946 — To be due September 1, 1962

Principal, half-yearly interest thereon (March 1 and September 1), and redemption premium, if any, payable in lawful money of the Dominion of Canada at the principal office of the Company's bankers in the Cities of Quebec, Montreal, Toronto, Halifax, Winnipeg, or Vancouver, at the option of the holder. Redeemable prior to maturity at the option of the Company in whole at any time or in part by lot from time to time on at least 30 days' prior notice at the following percentages of principal amount, with accrued interest to the date fixed for redemption: at 104% if redeemed on or before September 1, 1948; at 103% if redeemed thereafter on or before September 1, 1951; at 102% if redeemed thereafter on or before September 1, 1954; at 101% if redeemed thereafter on or before September 1, 1957; at 100½% if redeemed thereafter on or before September 1, 1960; and at 100% if redeemed thereafter to maturity. Coupon Bonds, registerable as to principal in Montreal and Toronto, in interchangeable denominations of $1,000 and $500.

Trustee: National Trust Company, Limited

In the opinion of Counsel these Bonds will be a legal investment for Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended.

Purpose of Issue

The proceeds to be received by the Company from the sale of the $11,855,000 Series "E" Bonds are to be applied to the redemption of $11,855,000 First Mortgage and Collateral Trust Sinking Fund Bonds Series "C" 4% due 1962 now outstanding, which are to be called for redemption on or about April 29, 1946; the balance of the funds required is to be provided out of other resources of the Company.

Copies of the Official Prospectus in respect to these Bonds available on request.

PRICE: 101⅜ and Accrued Interest

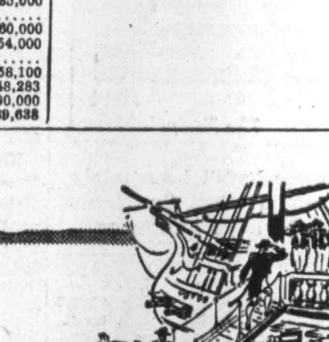
We offer these Bonds as principals, if, as and when issued by Quebec Power Company and accepted by us, subject to the approval of all legal matters, on behalf of the Company, by Messrs. MacDougall, Scott, Hugessen & Macklaier, who will also act for the Underwriters.

Subscriptions will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close subscription books at any time without notice. It is expected that Trustee's Interim Certificates, exchangeable for Definitive Bonds of the Company when available, will be ready for delivery in Montreal and Toronto, on or about March 26, 1946.

The Dominion Securities Corporation Limited
Wood, Gundy & Company, Limited — A. E. Ames & Co. Limited — Collier, Norris & Quinlan Limited
L. G. Beaubien & Co., Limited — Royal Securities Corporation Limited — Nesbitt, Thomson & Company Limited
Greenshields & Co Inc — Bell, Gouinlock & Co. Limited — McLeod, Young, Weir & Company Limited
Savard, Hodgson & Co., Inc. — W. C. Pitfield & Company Limited — René-T. Leclerc, Inc.
Cochran, Murray & Co. Limited — Midland Securities Limited — Mills, Spence & Co. Limited
Kerrigan, MacTier & Co. Limited — Matthews & Company — R. A. Daly Co. Limited
Société de Placements Inc. — Mead & Co. Limited — McTaggart, Hannaford, Birks & Gordon Limited
Geoffrion, Robert & Gelinas, Inc. — Mackenzie & Kingman — Lagueux & DesRochers Limitée
J. C. Boulet Limitée — Oscar Dubé & Cie, Inc. — Ross Brothers & Company Limited
Société Générale de Finance, Inc. — La Corporation de Prêts de Québec — Hamel, Fugère & Cie, Limitée
Clément, Guimont, Inc. — Garneau, Boulanger, Limitée — J. E. Laflamme Limitée
Canadian Alliance Corporation Limited

The statements contained herein are based upon information which we believe to be reliable but are in no event to be construed as representations by us.

March 19, 1946



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ARTHUR BROWN LEFT ONLY $2000.

but we did all we could for his widow.

● When Arthur Brown appointed us his executor, he was moderately well off, but through long misfortune he left only $2,000 when he died. Necessary expenses reduced the amount to $1,700.

We gave the same careful attention to this small estate that we would give to one of fifty thousand dollars.

If your estate is anything more than $1,000, you want it handled economically and wisely. So why not call in at one of our offices and talk to one of our Estates Officers? You will find him courteous, understanding and helpful.

CAPITAL TRUST CORPORATION LIMITED

MONTREAL OTTAWA TORONTO

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Late Return

I have been filing an income tax return for some years as I get an income of slightly over $660 a year from investments. Each year, deductions at the source exceed the amount of tax due, so that I have nothing to pay. Must I continue to file a return of my income? What is the penalty for late filing?

Yes. Everyone with an income over $660 should file a return, whether they have any tax to pay or not. In your case evidently you have a refund coming to you, and in your own interest you should file a return claiming the refund. If you don't file a return, you may be subject to a penalty of $5 for late filing.

Married Dependent Daughter

My married daughter, and her daughter live with me. My daughter is a semi-invalid and able to do only very light work. She also has to have frequent medical treatments. Her husband has contributed only $55 to her support since last September. To what exemption am I entitled on her account?

Because her husband is alive and she is not wholly or permanently incapacitated, you would not normally claim her as a dependent. You might, however, take up the matter with the income tax inspector in your district, as there might be some special circumstances meriting consideration. Meanwhile you can claim the granddaughter as a dependent.

Lunch Money

I started to work recently, and have to buy my lunch every day. The lunch money is expense incurred in earning my income. Is it deductible from income for tax purposes?

No. Expenses such as lunch money are not deductible from income for tax purposes.

Tax Return Items

In section 13 of T1 Special income tax return, item A calls for a statement of the tax due as found in the tax tables on page 3 or 4. Item B provides for a deduction of 4% of "item A as per the 1945 statutes." Does this mean 4% of item A directly above in the same section, or 4% of item A in section 12 "gross wages, salaries, etc.?" The return does not state which item A is meant and it makes a big difference which one you take.

Item B in section 13 refers to item A in the same section. The reference is to the clause in the last budget providing for a reduction of 4% in the total tax payable on 1945 income. Accordingly the deduction is 4% of the total tax due, not 4% of gross salaries or wages stated in item A of section 12.

INVESTMENTS

Loans to Britain

Would you please send me the detailed amounts given by Canada to Great Britain during the war and on what occasions?

Our records show that, including the latest loan, total direct aid to the United Kingdom by Canada amounts to $4,392 millions, as follows:

	Millions
(a) Loan to Great Britain (1942)	$ 700
(b) Gift to United Kingdom (1942)	1,000
(c) Mutual aid to Great Britain (1943-44-45)	1,442
(d) Loan	1,250
Total direct aid	$4,392

Indirectly, we have also assisted the United Kingdom in the following manners:

	Millions
(a) Repatriation of U. K. held Canadian securities (CNR & Dominion Government)	$ 700
(b) Purchase of U. K. munitions plants in Canada	205
(c) Repayment by Canada of British working capital in above plants	190
(d) Share of U. K. cost of air-training program assumed by Canada	425
Total indirect aid	$1,520

We mentioned above a figure of $700 millions of Dominion Government and Canadian National Railways issues repurchased by the Canadian Government.

There were further reductions in British holding of Canadian securities arising from other redemptions of securities and private repurchases of securities by Canadians through the security market. As far as the loan of $700 millions made by the Dominion Government to the British Government in 1942 is concerned, this represented the method by which Canada financed the accumulated sterling balances which we received in the early days of the war. During the war, sterling was not freely convertible. Since that date this loan has been reduced to approximately $500 millions. It will also be noted that Canadian indebtedness, to the United Kingdom was appreciably reduced during the war.

Increasing current payment by the Canadian Government to meet the overseas expenditures of the Canadian forces has also provided a very substantial source of Canadian dollars for the United Kingdom. In short, the United Kingdom has been able to obtain such a large volume of commodities from Canada for the prosecution of the war only because of special receipts of Canadian dollars such as have been outlined above.

'Commons' and Ins.

What common stocks are eligible, and to what extent, for investment by Canadian insurance companies?

The common stocks of corporations which have paid regular annual dividends of at least 4% of the par value, or $4 a share in the case of stock with no par value, for the seven years preceding purchase. If a corporation has voluntarily reorganized, substituting common shares of no par value for shares of par value, without affecting the status or changing the value of its capital stock, dividends are deemed sufficient if, in total, they are equal to at least 4% of the total of the previous common stock and the proceeds of any additional shares which may have been issued, following reorganization.

An insurance company, however, cannot invest in more than 30% of the common stock of any one company; and the total book value of investments in common stcoks must not exceed 15% of the book value of the total ledger assets of the insurance company.

Callinan Flin Flon

Will you kindly give some details on present finances of Callinan Flin Flon Mines and current exploration activities on their Manitoba properties?

Over $100,000 has been placed in the treasury of Callinan Flin Flon Mines (1939) for diamond drill exploration of extensive properties in the neighborhood of the Flin Flon Mine of Hudson Bay Mining and Smelting Co.

Shallow diamond drilling and surface development has shown structural conditions similar to those at the Hudson Bay property, and the fault zone in which that company's ore bodies occur crosses the Callinan claims for at least 1½ miles, it is stated.

The company's program embraces a series of diamond drill holes varying in depth from 1,000 to 3,000 ft. to explore eight anomalies outlined by the geophysical survey recently completed on 18 of the company's 54 claims. The first drilling is testing an anomaly on the Dan claims adjacent to the northern boundary of the Hudson Bay property. Two drills are being used in the program of work. Exploration may be undertaken from the workings of Hudson Bay Mining & Smelting Co.

Authorized capital of the company is 3,000,000 shares of which 1,848,740 shares are reported issued.

Listing Requirements

What must a mining company do before its shares will be listed on the Toronto Stock Exchange? What is required with respect to finances and development?

The management must submit complete and sworn information on the company's record, finances, management, together with details of any financing agreements and an engineer's report on the property. Only if the listing committee decides that the company can meet its requirements will the shares be accepted for trading on payment of the usual listing fee, based on the authorized capital.

The committee considers (a) possibility of the property from a mining standpoint; (b) position of the company with regard to finances; (c) relation of market price to option prices; (d) the character of market sponsorship, and numerous other factors. When a great many issues seek listing and the management committee does not feel that it is in interest of the exchange and the public to list too many at once, an individual issue may not be accepted for listing although the company may appear to be in fairly good shape from an analysis of its position alone.

C. A. MILLS

has been appointed sales manager of Robbins & Myers Co. of Canada.

COSTS are at the heart of the housing problem, says the housing committee of Twentieth Century Fund, New York City foundation for scientific research and economic education. Says the committee: "Effects of waste, inefficiency and traditionalism have been keeping the prices of houses high. We must reduce costs if the housing market is to serve low-income groups and if the housing industry is to play a larger, more sustained role in the economy."

We are pleased to announce the return from overseas of

MR. BENSON L. COYNE, B. Com.

Mr. Coyne has resumed his position as Manager of our Bond Department

•

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MONTREAL TORONTO

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CHARTERED ACCOUNTANTS
CHARLOTTETOWN — HALIFAX — NEW GLASGOW — TORONTO

IN YOUR OPINION

Supervise Tourist Accommodation?

The Question: Would you favor more supervision by trade groups or government of food, accommodation and entertainment offered tourists?

D. C. Betts

President, Canadian Breweries Ltd., Toronto.

If the standards of food, accommodation and entertainment which Canada can offer tourists fall short of their expectations, and I think that very often they do, it is largely because those people in Canada whose business it is to provide these amenities fail to realize the potential income, direct and indirect, which the tourist business offers. Moreover, they are too often unaware of just what standards tourists do expect and can find maintained in other countries which compete for the U. S. tourist dollar.

The remedy for this is not more legislation and supervision, but education, and so it would seem that the role of the Government and of trade groups should be to impose vigorously certain basic standards of comfort and sanitation and then by education to encourage restaurateurs, hotelmen, owners of tourist camps, etc., to elevate their sights as much as possible above these basic standards. Such education should stress first the importance of the tourist business to the national, provincial and local economies and then indicate ways in which hotel and food services, etc., can be made more attractive to the tourist. Canada's best tourist entertainment attraction is our great out of doors and the Government should provide both intensified supervision and education to ensure the conservation of our game, fish and forests.

* * *

Will R. Bird

Canadian author, Halifax, N.S.

As a Nova Scotian I am wholly in favor of immediate removal of the price ceilings and wage controls that since 1941 have strangled the efforts of our hotel operators to provide meals and lodging for those compelled to travel. The tourist industry of this province contends with a crippling lack of equipment and supplies, the result of rigid application of regulations that have been interpreted more leniently in other parts of Canada. Supervision by trade groups is preferred to present conditions but I would advocate removal of all restrictions hampering our tourist trade.

* * *

W. H. Cranston

Managing director, Free Press Herald, Midland, Ont.

Much might be done by education to raise the standard of food, accommodation, and entertainment offered tourists, but regulation by Government or by trade associations would, I am afraid, accomplish little. Restaurant operation in Ontario generally seems to have lacked the originality and quality of its Quebec counterpart and those things are difficult if not impossible to legislate about. If hotel and restaurant owners can be convinced that there are profits in quality the solution will readily find itself.

* * *

Dan Campbell

Director, Publicity and Travel Bureau, Edmonton.

Yes, because the rate of standardization commensurate with standized service and accommodation is essential to successful stabilized industry. Furthermore, good supervision would encourage higher training of personnel in courtesy, deportment and ability to supply local information to visitors and would facilitate cuisine and accommodation improvement. Good supervision would establish confidence of excellent treatment in the minds of prospective visitors. The majority of motorists who could stay overnight elsewhere en route, hurry on to Banff or Jasper because they know they have accommodation approved by government officials. Alberta resort operators outside parks have requested registration and supervision, so suitable arrangements are now being made.

* * *

Galen Craik

Director of Publicity, Regina, Sask.

Canada's reputation as a tourist country can be' made or broken in the next few seasons when visitors undoubtedly will flock into the Dominion in far greater numbers than for many years. Our great natural attractions will have to be buttressed by excellent food and accommodation services if Canada is to win the place to which she is entitled and which all the provinces desire.

If standards of such service are to be improved and maintained, closer government supervision seems to be imperative. Best results would probably be attained through close government co-operation with public spirited organizations such as boards of trade and local tourist agencies in making sure that visitors get the best Canada has to offer.

* * *

Frank H. Dunn

Travel manager, Montreal Star.

The least government supervision in classifications mentioned the better. Persons interested should be allowed to supervise their own businesses the same as banks or stores, with Government and trade groups used to police them only. The tourist knows what he wants and is willing to pay for it. Trade groups only add to additional taxation which will soon divert this trade to other places. Efforts should be confined to the elimination of racketeers. Hotels, eating and amusement establishments will take care of themselves.

* * *

Leo Dandurand

President, Canadian Restaurant Association, Montreal.

The trade groups in Canada are fully aware of the tremendous lush tourist trade which will converge on Canada in 1946. Tourist bureaus and trade groups have been active during the war period preparing for the avalanche of tourists to Canada in postwar years, but the full co-operation of federal and provincial Governments is urgently needed. The leaders of Governments must realize immediately the importance of this most valuable industry and be fully aware that the accruing of our tourist trade in future years rests not solely with trade groups but also with governmental enaction of laws which will be conducive to one of Canada's most fruitful industries.

* * *

Jack Hambleton

Editorial Staff, Globe & Mail, Toronto.

I certainly would in fairness to operators; they have been handicapped and still are. On the other hand, there are many camps in northern sections which are pretty awful. Average American fisherman wants three things; a good bed, good boat, and good food.

Northern Ontario Outfitters Association is shortly starting a campaign along educational lines, but the system of inspection inaugurated by the Government when camps were first licensed wasn't much good and hasn't improved. The trouble is, it is not difficult to fill camps and some operators think the situation will last forever. Personally, I believe we should build our tourist trade on a sound "repeater" basis and either close those camps which aren't up to standard or make them conform.

* * *

D. Russell Ferguson

Managing editor, the Courier, Perth, Ont.

I definitely favor more supervision by Government of food, accommodation and entertainment offered tourists in Canada. I would support introduction of a code guaranteeing uniform minimum standards in all tourist centres, which should be set to approximate the requirements of visitors. Nature has endowed Canada with natural attractions but we have neglected to provide living conditions for visitors which are even reasonably enticing.

Perth district, with its 50 lakes within 50 miles, last year attracted not fewer than 15,000 visitors from the United States. Every summer larger numbers will come, provided they are made welcome and comfortable. We are aware of these factors and try to profit thereby.

American tourists are attracted by Canada. Here they find freedom and joy in our way of life, but they should not be expected to submit to conditions which are not equally attractive. Every effort should be made by Government and all connected with the tourist industry to make the Canadian way of tourist life as appealing as our natural attractions.

* * *

Charles Postill

Vice-president, Laurentian Resources Association, Valmorin, Que.

I definitely approve more supervision of hotels and resorts by trade associations and feel that qualification for membership should be high and a rigid code of ethics demanded and maintained. Boarding houses, pensions and tourist camps should definitely have more stringent supervision of handling and serving of food, general cleanliness and propriety by trade groups; failing this, by Government. I believe, however, the best policy is education, wherein the government can play a large part. Advertising should be truthful and not misleading. Courtesy towards and general welfare of the guest should be paramount.

* * *

W. S. Robertson

General manager, Canadian Automobile Association, Toronto.

Improvement of tourist accommodation, service of meals and entertainment facilities have not kept pace in Canada with improvement of roads. The increase in tourist traffic now in prospect urgently points to the need of measures designed to meet the requirements of our visitors, including educational efforts by public authorities, trade groups and other bodies, and the setting up of reasonable minimum standards of lodgings by legislation with progressive enforcement in the interest of safeguarding the comfort and welfare of the travelling public, and thus assuring continuance of confidence in Canadian hospitality.

* * *

B. Graham Rogers

Supervisor Prince Edward Island Travel Bureau, Charlottetown.

I definitely favor more supervision by Government and trade groups, but I feel strongly that this should be on a helpful, co-operative basis. Tourist accommodation and entertainment properly conducted is a definite Canadian asset. Many Canadian firms are missing the opportunity for building sales and goodwill toward their products by not calling on and distributing their fund of ideas among tourist groups. Their genuine co-operation would greatly assist federal and provincial governments in improving tourist business. Prince Edward Island invites them to co-operate here and we believe it would be mutually profitable. Co-operation and ordinary business common sense can do more good than all the regulations ever invented.

* * *

George I. Warren

Commissioner, Victoria & Island Publicity Bureau, Victoria.

I do not believe it is necessary for compulsory supervision of any kind relating to food, accommodation and entertainment offered tourists in Canada. Canadians realize it is important that every care should be offered to our many visitors. With the usual unfailing courtesy they will provide the proper care and consideration necessary to further develop this great industry and which promotes goodwill and mutual understanding between the people of two great nations speaking the same language and holding the same ideals of life. It should lead to a mutual understanding of the difficult problems of the two nations.

* * *

Bryan L. White

Editor, Ottawa Farm Journal.

Trade group supervision should prove itself willing and capable before given the job. There are no signs of success as yet in the case of hotels. Cabins and other tourist facilities are bound to grow and would soon become public nuisances unless kept under some sort of license and control, especially from the health and sanitary standpoints. A grave menace to whole industry is the unscrupulous operator who doesn't understand business and the value of a good name in the community.

The great need now is for cooking schools and trade courses to train operators and staff in proper food handling and niceties of making travellers comfortable and welcome. Terrible cooking is the chief characteristic of most tourist camps, and many hotels, at present. Quebec hotel schools are models to follow and there is good evidence of success.

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See Big Field for Anodizing

Anodized aluminum Venetian blinds, weighing about one third as much as their steel counterparts, are the first quantity product to come from the chemical tanks of Canadian Anodized Products Ltd., Aurora, Ont. They were being dipped, strip by strip, in the new company's pilot plant even before current was turned into its big production unit this week.

Venetian blinds are but one of an almost unlimited number of applications seen for the sulphuric acid anodizing process by Grant Clouse, general manager of the Mica Co. of Canada Ltd. subsidiary. Possibilities range from parts and panels for aluminum prefabricated houses; through decorative metalwork, furniture, kitchen utensils, signs, household gadgets and novelties, cameras, etc., in the general field, to such industrial uses as finishing parts for automobiles, radios, dairy and food processing equipment. Fields of brightest anodizing promise are said to be transportation and structural uses, where this treatment of lightweight metals supplies an answer to the longstanding strength versus weight problem

Anodizing is, in effect, a reverse electrolytic or electro-plating process by which the surface of an article is coated with its own oxide. The article to be finished is made the anode, the lead-lined anodizing tanks the cathode. Electrolyte, in the particular method used by the new company, is sulphuric acid. Besides this "Alumilite" method, the patents to which are held by Aluminum Co. of Canada, there are two other methods—using chromic and oxalic acids.

Advantage claimed for the sulphuric process is that it gives an oxide coating four times as thick as that given by chromic acid, and it can be done in an infinite variety of colors and shades instead of the two—black and clear—to which chromic is limited. The oxalic process, patents for which are German held, is more expensive here. Oxalic acid in Canada costs $19 a cwt., sulphuric $2.50, chromic $26.

Canadian Anodizing, although claiming to be the biggest company doing this specialized job in Canada, is not the only one. During the war importance of the Alumilite process to the aircraft industry led to a widening of patent licensing. Today about 25 Canadian plants are using the Aluminum Co. license at a nominal annual fee of $1. Majority of these licenses are for processing only those articles produced by the company holding the license. Greater control is maintained over jobbers' licenses.

HALIFAX MAY ASK authority to return, in 1947, to a fluctuating real property tax, now frozen at 3.50 mills; also to pay salaries to aldermen.

Halifax county has protested the rights allowed the city in the way of expropriation privileges, charging that it "completely ignores the interests of the county." It alleges that private outside property has been taken over by the city without consulting the municipal district concerned.

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EVA M. LEGER
Chartered Accountant
3 Priel Block
SASKATOON, SASK.

T. P. GEGGIE
CHARTERED ACCOUNTANT
PHONE ELGIN 8557
330 Bay St.
TORONTO, CANADA

NORMAN B. McLEOD
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TABLE OF GROWTH

	Total Income	Insurance in Force	Assets
1915	114,036	4,512,602	$ 284,133
1925	856,106	24,629,972	2,944,054
1935	1,453,852	38,811,242	5,974,845
1945	2,685,922	86,208,962	14,032,094

HIGHLIGHTS OF 1945 REPORT

A substantial gain of Insurance in Force.
A record increase in Total Assets.
A particularly favourable mortality experience.
Record profit earnings.
A high rate of interest on investments.
Record payments to policyholders.

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Marine Insurance Law Introduced in Ontario

Law Like Marine Insurance Act of 1906 in Britain Proposed in Legislature — Uniform Provincial Law for Canada Sought

At long last, Ontario is to have a marine insurance act. A bill introduced in the Ontario legislature is the same as the Marine Insurance Act 1906 of the United Kingdom, already in force in British Columbia, Nova Scotia, New Brunswick and Manitoba. As marine policies issued in Ontario usually state that they are subject to the British act the passage of the bill will make no actual difference to Ontario insurers or shippers, it is stated, except that each will know more certainly the law under which he operates.

With Ontario the fifth province to adopt the British Act of 1906, insurance and legal circles are agitating that other provinces adopt the same Act, which would give a Dominion-wide uniform marine insurance law. Quebec's civil code has a special chapter dealing specifically with marine insurance but it is urged that in the interests of uniformity, this should be replaced with the same law as adopted in the other provinces.

So far the Dominion has shown little inclination to enter the marine legislative field, because it was felt marine insurance was largely a matter of regulating contracts and therefore, exclusively under provincial jurisdiction.

Meanwhile, the move for an enactment of a definite marine law by either the Dominion or the provinces has been strengthened by Canada's leading place in world trade.

In the provinces with no marine law, any dispute has to be settled in Canadian courts according to the general law of contract but there is often disagreement as to just how this applies. The situation has been complicated in Canada because of the extensive inland water transportation system under which grain shipped from the prairies may travel by lake, river and sea to its destination, passing through several provinces en route.

Although the insurance contract might have been made in Winnipeg nobody heretofore has known just what law would be used in interpreting the terms of the contract. The adoption of a uniform Act across the country would solve that problem.

Can't Include Rental Revenue To Force Man to Bankruptcy

Receiving rent from property does not necessarily constitute a "business" for purposes of compulsory bankruptcy, Ontario Court of Appeal decided recently.

The case arose from an unusual landlord-tenant dispute. An owner made alterations in a house. One of the tenants obtained a judgment to compensate for the disturbance. In his efforts to collect, the tenant sought to force the landlord into bankruptcy.

The landlord contended he was a wage-earner, under $1,500 a year, and claimed the exemption provided by the Bankruptcy Act. The lower court felt, however, that rentals from two tenants might provide profits. On this ground the owner was held subject to bankruptcy proceedings.

On appeal, one judge expressed the view that "it is an essential element of carrying on a business, that the purpose of the engagement is for a livelihood or profit."

In allowing the landlord's appeal, the court referred to his attempt to obtain possession of the premises, blocked by the "freezing order."

The judgment remarked: "This old house was purchased by the appellant as a place in which he intended to reside. He gave the respondent notice to vacate. He took proceedings to obtain possession of the premises occupied by the respondent, and did all he could in law to obtain the accommodation for his own use. It cannot be reasonably found on the evidence that he purchased the premises or conducted the operation of rental of them as a means of livelihood."

E: C. GILL

has been appointed general manager of the Canada Life Assurance Co. He was assistant general manager and treasurer.

SCHOOL COMMISSION OF ST. JOSEPH OF YAMASKA, QUE., has awarded a $103,000 issue of 3% serial 30-year debentures at 101.46 to Gairdner & Co., Ltd., Net average interest cost to the corporation is $2.862%.

SOUTHERN CANADA POWER CO., LTD., reports February gross $311,197 ($307,780 in Feb., 1945), and surplus after all deductions including dividends, $7,397 ($4,852). Five months gross was $1,549,512 ($1,503,989 year before), surplus 535,172 ($15,721).

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NEW BUSINESS	$ 2,636,471.00
TOTAL BUSINESS IN FORCE	14,976,797.00
NET PREMIUM INCOME	502,140.00
TOTAL ASSETS	2,542,048.00
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Three Systems Favored In Corp. Pension Plans

This is the second of a short series of articles in The Financial Post on corporation pension plans. While these have grown rapidly in Canada in recent years, it is estimated that only about 20% of eligible industrial workers are covered by "approved plans." This article describes the main methods of administering pension funds.

"Approved" Corporation Pension Funds are accumulated and administered in three different ways:

1. Through a life insurance company.
2. Through a Dominion Government annuities branch.
3. By a trust fund handled by a board of administrators, elected by the employers and employees of the corporation. Sometimes the fund is accumulated by a combination of life insurance company annuities and Dominion Government annuities.

The difference between the pensions available from the insurance company and those of the Dominion Government annuities branch are mainly degrees of flexibility and the rate. Before the Ives Commission about a year ago it was shown that the rates effective with insurance companies for pension funds are usually higher that those of the Dominion Government annuities branch.

"Despite this difference," the report states, "under certain circumstances employers go to the insurance company in setting up a pension plan. One advantage in having an annuity with an insurance company is that if an employee withdraws from service, he can get his money back. This is not possible under plans arranged with the government annuities branch. This is the main difference . . .

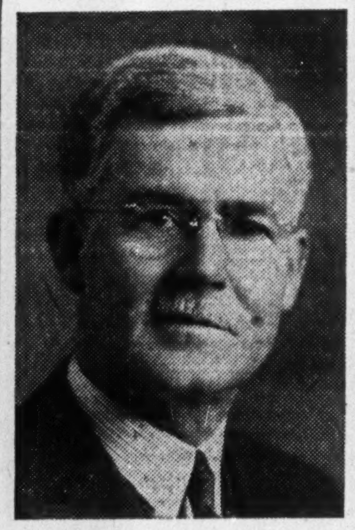
"A second reason for going to an insurance company for a pension plan based on annuities is that with employees in the higher income brackets, the annuities desired may be larger than $1,200 a year, the amount to which the annuities branch is limited."

Sometimes corporation annuities may be a combination of Government and insurance company plans. Employees in higher salary brackets may desire a pension of over the $1,200 Government maximum. In such cases, the $1,200 annuities may be built on the lower rates quoted by the annuities branch, the annuity for more than $1,200 being placed with an insurance company.

The third method of accumulating and administering the fund through a trust fund handled by a board of administrators includes a relatively small number of the pension plans in existence but the number of potential annuities covered is more than half of the total number of individuals protected by all pension plans in Canada. This method has been in existence for many years, and included in this group are most of the chartered banks and many other plans established before 1929.

In these cases the fund is treated as a trust fund and is not available to the corporation concerned. They are stated to be on an actuarial basis although critics contend this is not always so.

In some quarters they are preferred to annuity funds with either an insurance company or the government annuities branch. As a rule these plans are contributory and contributions are usually made by deductions at time salary or wages are paid. This practice was in force even before the income tax deduction system came into effect.



A. N. MITCHELL

elected chairman of the board of the Canada Life Assurance Co., was president.

National Security Insurance Company

Notice is hereby given that the National Security Insurance Company having ceased to carry on business in Canada has reinsured its liabilities in Canada, in the Philadelphia Fire and Marine Insurance Company which is registered under the Foreign Insurance Companies Act, 1932, as amended, to transact business in Canada, and will apply to the Minister of Finance for the release on the 30th day of March, 1946, of the securities on deposit with the Minister of Finance; and that any Canadian policyholder opposing such release should file his opposition thereto with the Minister of Finance, Ottawa, on or before the 30th day of March, 1946.

Dated at Toronto, Ontario, this 21st day of December, 1946.

H. C. MILLS,
Chief Agent for Canada.

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COCA-COLA LTD. 523

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

Winnipeg, Calgary and Vancouver
Week ending Saturday close

WEEK ENDING MARCH 18

Range 1945-46 High	Low	Div R'te $	Mar16 Y'ld %		Sales	Last Mar. 11	Week end. Mar. 18 H	L	Cl'se
9¼	2½	..	...	Abitibi ...	11000	7¾	7¾	6¾	7¼
100¼	44	..	...	Do. pref. 6%	3154	98¼	98¼	95	96¾
190	140	..	...	Do. pref. 7%	135	185	190	185	190
14	14	..	...	Do. A new	700	..	14	14	14
18¼	18¼	..	...	Do. $1.50 pf n	950	..	18¼	18¼	18¼
17	9¼	..	...	Acme Glove	5	16¼	16¾	16¾	16¾
105¼	90	6.50	6.2	Do. pref.	30	104	105¼	105	105¼
24	17	1.00	4.3	Acadia Atlan A	1145	23	23¼	22¼	22¼
107	99	5.00	4.7	Do. 5% pref.	55	105	105¼	105	105
26	14	..	...	Algoma Steel	255	21	21	20¼	20¼

Range 1945-46 High	Low	Div R'te $	Mar16 Y'ld %		Sales	Last Mar. 11	Week end. Mar. 18 H	L	Cl'se
34	4¼	.	...	Gt. Lakes Pap.	295	27	27¾	25¼	27¼
55	26¾	1.50	2.6	Do. pref.	40	51	57	51	57
34	4	.	...	Do. Vot. tr. c	2405	27¼	27¼	25	28
55	23	.	...	Do. Vot. tr. p	170	50¼	51	48	49
7	5¼	.20	3	Greening Wire	105	6¾	6¾	6¼	6¾
10	5¾	.	...	Gurd, Chas.	130	6	9¼	9¼	9¼
17¼	8¾	.	...	Gypsum, Lime.	3770	15¼	15¼	14	14¾
18¼	15	.80	4.3	Halifax Fire	6	19	18¾	18¾	18¾
5¼	5¼	.	...	Hahn Brass	25	..	5¼	5¼	5¼
20	19¼	.	...	Do. pref.	100	19¾	19¾	19¾	19¾
12¼	6¼	.	...	Ham. Bridge	1800	10	10¼	9¼	10

Range 1945-46 High	Low	Div R'te $	Mar16 Y'ld %		Sales	Last Mar. 11	Week end. Mar. 18 H	L	Cl'se
99¾	68½	5.00	5.2	Do. pref.	460	99	99	99	99
44¼	29¾	2.00	4.6	Woods Mfg. pf.	111	44	44¼	40	44¼
19	9¾	.40	2.7	York Knitting	765	15	15	14¼	15
38	22¼	1.00	2.8	Zellers	175	36¾	36	35	36
29¼	27	1.25	4.4	Do. 5% pf.	100	28¼	28¼	28	28
30¼	26¼	1.50	5.3	Do. 6% pref.	100	28¼	28¼	28¼	28¼

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. ▲N. Y. funds. †Extra. xOn arrears. ♦Payable in part in stock.

Mining Stocks

Oil Stocks

				Company	Sales	Mar. 11	H	L	Close
.18	.07	.....	....	Pacalta	17,400	.11½	.11½	.08	.10½
1.65	.50	.....	....	Pac. Pete	15,300	.92	.97	.85	.90
.04	.02¾	.....	....	Phillips P.	151,000	.03	.03½	.03	.03
.01½	.01½	.....	....	Richfield	200	.....	.01½	.01½	.01½
1.57	.80	.....	....	Roxana	64,955	1.53	1.53	1.26	1.40
.05½	.03¾	.....	....	Royal Can.	6,200	.04¼	.04¼	.04	.04
25.50	17.45	1.00	5	Royalite	1,533	21.00	21.00	19.50	20.00
.03¼	.02	.....	....	Share Roy.	1,000	.02	.03¼	.03¼	.03¼
.10	.03	.....	....	South End.	29,000	.07	.08½	.07¾	.07¾
.30	.15	.....	....	So. West Pete	1,000	.30	.22	.22	.22
.30	.09	.....	....	Spooner	8,696	.10	.10¼	.09	.10
.10½	.07	‡.01½	....	Sunset	1,500	.08	.09	.08½	.08½
1.79	1.00	.....	....	Texas Can.	500	1.30	1.30	1.25	1.30
.03¾	.03½	.....	....	Trans. Alta.	5,000	.03½	.03¾	.03½	.03½
.16	.14	.....	....	Turner V.	50	.14	.16	.16	.16
.15	.05	.....	....	United Oils	8,360	.10	.10½	.08	.09
.16½	.08¾	.....	....	Vanalta	510	.10	.11	.10	.11
.34	.17	.....	....	Vulcan	2,625	.25	.25	.20	.25

* Paid in 1944. • N. Y. Funds. † Paid in 1945. z Extra. ■Subj. appr. F.E.C.B. ‡ Paid or payable in 1946.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Mar. 19	......	1,273,000	78,725	1,470,000
Mar. 18	205,200	1,327,000	119,560	1,480,000
Mar. 16	......	....	......	790,000
Mar. 15	205,000	1,486,000	285,784	1,430,000
Mar. 14	278,100	1,768,000	200,570	1,530,000
Mar. 13	277,100	2,367,000	272,071	2,220,000

STOCKS NOT TRADED THIS WEEK

	Div. rate	Last sale	Mar. 18 Bid	Ask
Wood, A & J. pf.	7.00	125	121	..
Wool Combing	1.00	26	24	26
York Knit. 1 pf.	7.00	160	150	..

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. ▲ N. Y. funds. ‡Extra.

Mining Stocks

	Div. rate $	Last sale	Mar. 18 Bid	Ask
Ashbourne	...	.13½	..	..
Coast Copper	...	2.60	..	..
Cryderman	...	.01½	.01	.01½
Douglas L.	...	.10	..	..
Forty-Four	...	.80	..	.85
Great Falls M.	...	.03	.03	..
Inter. Mining	...	10.00	..	..
Knee Lake	...	.03	.02½	.05
McGillivray C.	...	.10	..	.21
McVittie Graham	...	.10	..	..
Mentor Explor.	...	2.50	1.60	..
Normandy	...	.06	..	.05
Northern Empire	‡.10	2.30	2.00	2.25
Packsack	...	.03	..	.03½
Red Cloud	...	.02	..	.02½
Simcoe	...	1.13	..	..
S. American G.	†*.20	1.10	..	..
Star Lake	...	.01½	.01½	.02¼
Sunlock	...	.25	..	..
Triblemont	...	.25	..	.27
Oil Stocks				
Hargal	...	.04	.03½	..
Nordon	...	.27	..	..
Princess P.	..	.12	.09½	.10½
Royal Crest	...	.04	..	.05
Wellington	...	.02	.01	..

†Paid in 1945. *N.Y. Funds. ‡Paid or payable in 1946.

Government Bonds

March 19, 1946 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105¼	106
3	Mar. 1954	105¾	106¾
3	Nov. 1956	105¾	106¾
3	May 1957	104¾	105¾
3	Jan. 1959	104¼	105
3	June 1960	104¼	105
3	Feb. 1962	104¼	105
2	Dec. 1946	100½	101
2¼	Mar. 1948	101¾	102
1½	May 1946	....	100¾
1½	Nov. 1946	100¾	100¼
1½	May 1947	100¼	102
1½	Mar. 1948	100¼	102
1½	Nov. 1948	100¼	101
1½	Nov. 1950	100¼	101
3	Oct. 1963	104¼	105
3	Sept. 1966	104¾	105¼
1½	Nov. 1949	104½	101
Dom. of Canada Bonds			
3½	Nov. 1951	103¾	104¼
4	Oct. 1952	103¾	104¼
3½	Feb. 1952	105¾	106
3	Oct. 1952	103¾	104¼
3	June 1955	103½	104¼
4½	Nov. 1956	101¾	102¾
4½	Nov. 1957	104¼	105
3	June 1958	104¾	105¼
4½	Nov. 1953	106¼	107
4½	Nov. 1959	108¾	109¼
3½	June 1966	105½	106¾
3	Perpetual	103¾	104¾
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103¾	...
4½	Sept. 1951	127¼	...
4½	Feb. 1956	135	...
4½	July 1957	137	...
3	Feb. 1953	102¼	103
4½	June 1955	135¼	...
3	Feb. 1954	118½	...
5	Feb. 1970	129¾	...
5	Oct. 1969	128¾	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	135¼	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	119½	...
4	Jan. 1962	132¾	...
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	100	102
3	Oct. 1951	100	...
3½	Aug. 1949	100¾	102
3½	June 1956	104¼	106
4½	Apr. 1961	131	...
5	Jan. 1960	135¼	...
Nova Scotia:			
3	Jan. 1952	104	105¼
3½	June 1956	104¼	106
3½	Nov. 1950	105¾	107¼
4½	Sept. 1952	114¼	...
4½	Nov. 1960	133	...
5	Mar. 1960	138¼	...
Ontario:			
3	Apr. 1948	100	...
3	Nov. 1950	101½	102¼
3½	Nov. 1951	103¾	105¼
3½	May 1955	104¾	106
4	June 1962	130	...
4½	June 1950	108¼	110¼
4½	Jan. 1962	137	...
5	Oct. 1948	107¼	108¾
5	Dec. 1960	142	...
5½	July 1946	101	102¼
Ont. Hydro Commission:			
3	Aug. 1948	100	101½
3½	Feb. 1953	104¼	105¾
3½	Apr. 1947	101¼	102¾
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3	Nov. 1947	101½	103
3½	Mar. 1948	101½	103½
3½	Mar. 1959	105¼	106¾
4	Nov. 1952	107½	109
3¾	Feb. 1955	107½	109
4½	Aug. 1958	113½	115
4½	Jan. 1963	118½	120
Alberta:			
3½	June 1964	103	...
3½	June 1966	103	...
3½	June 1968	110½	...
3½	June 1972	110½	...
3½	June 1978	110½	...
British Columbia:			
4	Dec. 1957	124	...
4½	Jan. 1951	121½	...
4½	Oct. 1953	125¼	...
5	Apr. 1954	129	...
6	Feb. 1947	102¼	...
Manitoba:			
4	Man. 1957	124¼	...
4½	Dec. 1956	128	...
5	Dec. 1959	136½	...
5	Oct. 1955	119½	121
6	Apr. 1947	102¼	...
Saskatchewan:			
4	Sept. 1954	101	103
4	Nov. 1960	102	103½
4½	Oct. 1951	114	...
4½	Mar. 1960	115	...
5	Aug. 1958	111	113½
5½	Oct. 1952	108	110
6	Mar. 1952	109½	111½

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. Inc. and Plaxton, MacDonnell & Co.)
March 18, 1946

	Bid	Ask
Abitibi, New com.	14.00	15.00
Abitibi, new $1.50 pref.	18.00	19.00
Abitibi new $1.50 pref.	38.50	40.00
Allens Toronto units	38.00	....
Anglo Can. Telephone A	12.00	13.50
British Mortgage and Trust	155.00	....
B. C. Sugar	93.00	97.00
Canada Machinery Com.	11.75	13.25
Canada Paving, 1st pfd.	7.50	....
Canadian Airways	3.00	....
Canadian Fairbanks Com.	33.00	36.00
Can. Ingersoll Rand	62.00	65.00
Can. Investors Corp.	8.00	9.00
Canadian Motor Lamp A	10.00	11.50
Can. Silk Prod's A	28.50	....
Can. West Nat. Gas, pfd.	106.00	....
Capital Trust Co. $100 par	80.00	....
Capital Wire Cloth pfd.	22.00	25.00
Cawthra Apts., units	4.50	....
Chase, A. W., units	31.00	....
Colonial Steamships, com.	94.00	100.00
Commercial Finance, com.	10.00	....
Commercial Life, 10% paid	7.00	....
Com'wealth Inter. Corp.	3.97	4.26
Confed. Life Assoc., 30% pd	145.00	155.00
Continental Life, 20% pref.	37.00	....
Detroit Internat'l Bridge	32.00	35.00
Dover Industries Ltd.	11.50	13.00
Dunlop Tire, pfd.	25.75	27.00
Empire Life Ins., 25% paid	16.00	18.00
Federal Foundries & Steel Co., New Common	3.00	3.75
Foreign Power Sec., pfd.	16.00	18.00
Galt Brass, com.	27.00	....
Goderich Elevator & Trans.	14.75	16.00
Great Lakes Power, pfd.	114.00	116.50
Great West Life	380.00	415.00
Guardian Realty, pfd.	30.00	....
Guaranty Co. of N. Am.	215.00	....
Guelph and Ont. Svgs., $50	53.00	....
Gurney Foundry, pfd.	2.90	3.25
Hart Battery, com.	8.75	9.75
Inter Utilities, $3.50 pfd.	56.00	59.00
Lambton Loan & Inv., $50	53.00	....
Loblaw Groc. Inc.	20.75	22.00
London & Western Tr., $100	76.00	....
Manufacturres Life Ins.	280.00	300.00
Midland Loan & Svgs., $10	17.00	....
Maxson Food Systems	8.00	9.25
Monarch Life Assoc., 20%	64.00	68.00
Monarch Mtge., units	3.75	4.50
Montreal Island Power, p.	....	42.00
Montreal Trust Co.	87.00	....
Morrison Brass, com.	4.25	....
National Drug & Chem., c.	5.25	6.75
National Hosiery, pfd.	4.50	5.50
New Brunswick Telephone	13.25	....
Ont. Tobacco Plant, units	23.00	....
Paramount Kitchener units	54.00	....
Provincial Bank of Canada	13.75	14.50
Provincial Paper, pfd.	109.00	111.00
Prudential Trust	6.00	8.00
Ruddy, E. L., pfd.	[illegible]	....
St. John Drydock, pfd.	105.00	....
Sawyer Massey, com.	1.50	2.75
Seiberling Rubber, com.	9.50	11.00
Sincennes McNaughton T.	2.00	3.00
Sherbrooke Trust	130.00	....
Sovereign L. Assce. 25% pd	32.00	....
Standard Fuel, pfd.	99.00	102.00
Standard Fuel, com.	3.00	....
Sun Life Assce.	530.00	550.00
Third Can. Gen. Inv.	4.00	4.50
Toronto Carpet, pfd.	98.00	....
Toronto General Ins.	5.75	6.75
Trusts & Guarantee $100	98.00	103.00
United Farmers Co-op	3.00	4.00
United Steel, A pfd.	26.50	28.00
Victoria Trust & Svgs.	109.00	....
Waterloo Mfg., com.	10.50	12.00
Western Assurance, com.	61.00	64.00
Western Grain, com.	2.00	2.75
Western Grain, pfd.	44.00	47.00
York Trading, com.	5.50	7.50

Unlisted Mines

Approximate quotations 3 p.m., March 19, subject to confirmation.

Abenakis	.12	.14	Derlak	.07	.09	Legardo	.05	.06	Pascalis	.38	.40
Advance	.16	.19	Detta	.35	.40	Lingnora	.15	.18	Peg Tan	2.95	3.00
Alb Riv	.38	.41	De Santis	.16	.18	Louvore	.05	.06	Pelangio	.10	.12
Alcan	.06½	.08	Dexter	.70	.80	MacFie	.51	.53	Phelps	.15	.18
Alexand	.34	.37	Discov	1.05	1.10	Major Oil	.08	.10	Pinnacle	.16	.18
Aljo	.04½	.05½	Dom Mal	.05	.07	Manterre	.07	.10	Poona Go	.04½	.05½
Ama Kir	.16	.18	Dona Pat	.04½	.05½	Marbenor	.24	.26	Presdor	.05½	.06½
Ama Lar	1.70	1.80	Doris	.45	.48	Marquette	.05½	.06½	Privateer	.70	.75
Anna'que	.09	.11	Dunford	.14	.17	Mar Bird	.14	.16	Quest	.28	.32
Anoki	.10	.12	Eastwood	.32	.34	Mary Ann	.21	.23	Rajah RL	.11	.13
Apex Oil	.06½	.07½	Electra	.15	.18	Mat Con	.50	.55	Rambull	.04	.06
Argonaut	.14	.17	Elmac	.91	.94	Mate Y	.12	.15	Rand Ma	.13	.16
Arntfield	.05	.07	Erin Kirk	.05	.06	Metalore	.06	.08	Raym T	.12	.14
Audley	.06	.07	Eurek Co	3.75	3.85	Mic of C	.24	.28	Rebair	.46	.49
Aurlando	.10	.13	Gilbec	.03	.04	Miles R L	.26	.30	Redbruth	.15	.18
Aurora Y	.44	.48	Goodrock	.07	.08	Moffatt	.03	.04	Redwood	.12	.14
Auterra	.05	.07	Gordon L	.11	.13	Mohawk P	.06	.06	Richgrp	.17	.20
Barb Ln	.07	.09	Gov Gold	.19	.23	Murbell	.05	.07	Ritoria	.06	.08
Blondor	.11	.13	Greenlee	.24	.27	Murmac	.25	.28	Rhyolite	.07	.08
Blue Grass	.07	.09	Gwillam	.24	.26	Mylanaq	.14	.17	Santiago	.64	.66
Bouzanne	.17	.20	Habitant	.40	.44	McCuaig	.18	.20	Sheldon	.58	.62
Brae Br	.13	.15	Harp Mal	.06	.08	McManus	.18	.20	Skyn Lk	.06½	.08
Bravo	.07	.08	Hayes Cd	.07	.08	Nat Mal	.40	.42	Steeber	.23	.26
Breuis	.33	.36	Highbridg	.17	.19	Nayb '45	.53	.58	Sun Bear	.08½	.09½
Brig R L	.15	.17	Hoyle	.23	.26	Nereco	.30	.36	Thornhill	.33	.36
Brock	.16	.18	Hugh PP	.14	.17	New Aug	.16	.19	Tiffany	.09	.11
Burley PO	.04	.06	Indepent	.17	.20	New Mal	.10	.12	Tobico	.04½	.06
Camlaren	.14	.16	Indyke	.35	.40	New Nor	.22	.25	Tombill	.48	.52
Carricona	.10	.12	Joan D	..	.08	Norbeau	.95	1.05	Toverich	.06	.07
Cassidy	.28	.31	Kamlac	.32	.35	Norcourt	.27	.29	Val D'Bel	.09	.11
Cen Man	.11	.13	Ken-Bay	.16	.19	Norfold	.12	.14	Vin Min	.96	1.10
Cheskirk	.26	.28	Kencour	.07	.09	Nortyne	.04	.06	Vinray	.20	.25
Cock RL	.11½	.12½	Kenda Pe	.33	.36	Novelle P	.11	.13	Virginia	.25	.28
Columbier	.33	.36	Kenroy	.07	.09	Obalski	.27	.29	Wesley	.06½	.05½
Con Chib	.40	.43	Laguerre	.40	.42	Obaska	.30	.35	West R L	.09	.11
Con Cop	.27	.29	L Ro '45	.26	.29	Obal '45	.74	.77	West Sh	.04	.06
Courageo	.24	.28	Lk Expa	.11	.13	Okled	.11	.12	Wilwood	.10	.12
Craibbe	.45	.50	Lar-Add	.09	.11	Olivet	.05½	.06½	Winchest	.17	.20
Croydon	.15	.18	Lard U	.10	.12	Opemiska	.25	.28	Wingait	.13	.15
Cuyuni	1.65	1.75	La Salle	.26	.29	Orpit	.11	.14	Y David	.35	.38
D'Aragon	.41	.45	Lavalie	.14	.16	Ortona	.11	.13			

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
March 19, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	63½	66	63½
†Assoc. Tel. & T.	5½	'55	114	116½	114
B. C. Pwr.	4½	'60	104	106½	104
Do.	4	'65	103½	106	103½
B. C. Tel.	4½	'61	106	108½	106
†Calgary Pwr.	5	'60	115	...	115
Do.	5	'64	105	107½	105
Gatineau Pwr. A	3¾	'69	115	...	116
♦Do., B	3¾	'69	104	106½	104
Gt. Lakes Pwr.	4½	'56	102½	105	102½
Do.	5	'57	102½	105	102½
*Int. Hydro-El.	6	'44	106	109	105½
L. St. Law. Pwr.	3½	'65	102	104½	102
Macl'n-Que. Pr.	4	'59	103½	106	103½
Mtl. L. H. & Pr.	3½	'56	101½	...	101½
Do.	3½	'73	101	...	101
Do.	3½	'63	102	...	102
†Mtl. Tramways	5	'51	110½	...	110½
†Do. B	5	'55	100½	103	110½
Nat. Lt. & Pwr.	4½	'61	101	...	101
N. S. Lt. Pr.	4	'57	102	...	102½
Otta. L. H. & P.	4	'57	102	104½	102
Ottawa V. Pwr.	5	'59	102	...	102
Do.	4	'64	105½	...	105½
†Power Corp.	4½	'59	114½	117	114½
Quebec Pwr.	4	'62	102	...	102½
*Saguenay P. A a	4½	'66	113	...	113
♦Do., B	4½	'66	104	...	104
St. Maurice Pr.	3¾	'70	103½	106	103½
Shaw. W. & Pr.	4	'61	102	...	102
†Do.	3½	'70	103½	106	103½
Do.	4	'69	104	106½	104
Union Gas	4½	'50	101	103½	101
†United Secs.	3	'52	99	...	99
†Wpg. El. Ser. A	5	'65	99½	102½	99½
Do., B	5	'65	104½	107	104½
Industrial and Realty Issues:					
†Abitibi Pr. P. C.O.D.	5	'53	119	121½	119
Acadia-Atlantic Sugar	3¾	'65	101	...	101
†Alta. P. Grain	6	'46	110	...	110
Algoma Steel	5	'48	101½	103	101½
Aluminum Co.	3½	'74	102½	...	102½
†B. C. Pulp & P.	6	'50	106	...	106
‡†Do.	7	'50	100½	103	101
Brown Co.	5	'59	110	112½	109½
Burns & Co.	4	'63	101½	103	101½
Can. Celanese	3½	'59	101	103½	101
Canada Cement	4½	'51	101½	104	102
Canada Electric	4½	'65	101½	...	101½
Can. Steamship	3½	'57	102	104½	102
†‡Can. Vickers	6	'47	107½	110	107½
Can. West Lum.	4	'52	101	103½	101
C. P. R.	3½	'51	103½	106	103½
Do.	4	'49	105½	108	105½
C. P. R.	4	Perp.	130	...	131
†Consol. Paper	5½	'61	110	112½	110
Dom. Coal	4½	'52	101	...	101
Dom. Scot. Inv.	4	'52	101	...	101
Dom. T. & Ch.	3½	'57	101½	...	101½
Dom. Textile	3½	'59	102	...	102
Dom. Woollens	5	'64	102½	105	102½
†Donnacona Pap.	4½	'56	108½	111	108½
*Dryden Pap.	6	'49	108½	...	108½
Famous Players	4½	'51	101	...	101
†Federal Grain	4	'64	101½	...	101½
*Great L. Paper	5	'55	111	113½	111
*Gurney Fdry.	5½	'49	102	...	102
†Gypsum Lime	5½	'48	102½	112	109½
Ham. Cotton	3¾	'59	100	...	100
Imperial Tob.	3½	'56	101	...	102½
Inter-City Bak.	5½	'48	101	...	101
Indust. Accept.	4	'52	101½	...	101½
Ins. Ex. Bldg.	3	'51	96½	...	96
*Inter. P. Nfld. (Bowater's P&P)	5	'68	110	...	110
*Inv. Bond & Sh.	5	'47	99	101½	99
Lake St. J. P.	5½	'61	102½	105	102½
Do.	5	'61	102½	105	102½
Legare	6	'61	100½	...	100½
MacMillan (H.R.) Export	4	'65	102	...	102
Maple L. M.	3¾	'63	101	...	101
Man. Sugar	5	'60	103½	106	103½
Massey-Harris	4½	'54	101½	104	101½
McColl-Fron.	4½	'49	101½	104	101½
McCormicks	4	'52	101	...	101
Mercury Mills	5	'59	100½	103	100½
Moirs Ltd.	6	'53	101	...	101
‡Mtrl. Drydocks	6	'48	100	102½	100
Montreal Apts.	4	'54	98	...	98
N. S. Stl. Coal	3½	'63	96½	101	96½
Price Bros.	5	'57	102½	105	102½
*Prov. Paper	5½	'47	102½	...	110½
Reliance Grain	4½	'52	100½	...	100½
Silknit Ltd.	5	'64	98½	101	98½
Silv. Dairies	4	'60-64	101	103½	101
Simpsons, Ltd.	3½	'60	102	104½	102
Toronto Elevat.	3½	'66	100½	...	100½
United Corp.	4	'58	100½	103	100½
United Gr. Grs.	4½	'58	101½	104	101½
†Western Grain	5	'63	101½	104	101½
York. Knit. Mills	4	'64	100	...	100½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Municipal Bonds

March 19, 1946

	%	Due	Bid	Ask.	Yld %
Halifax	3½	1965	104	106	3.08
Hamilton	5	1950	108⅞	110⅞	2.25
Montreal	3	1950	100	101	2.77
Ottawa	3	1953	103	105	2.25
Quebec	3	1964	100	102	2.85
†Quebec	5	1959	128	...	...
Saint John	5	1950	107	109	3.00
†Toronto	4½	1955	131	...	...
†Vancouver	5	1970	139	...	...
Winnipeg	6	1950	112	114	2.50

†Payable Canada and New York.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	4.95
Can. Invest.	4.90	5.45
Can. Invest.	8.00	9.00
Commonwealth Int.	3.94	4.33
Corporate Inv.	9.10	9.80
Trans-Canada (A)	14.55	...
Do. (B)	...	14.20

Commodities

	Latest week	Pre-vious week	Same week last yr.
Cattle	$12.09	$12.09	$11.49
Hogs	17.69	17.85	18.05
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	108.2	107.6	105.1
Dow Jones	108.06	108.16	95.12
Fishers	117.1	116.8	114.9
Monthly Indices			
Retail (Jan.)	119.1	120.1	118.6
W'sale (Nov.)	107.2	104.2	86.0
U. S. (Dec.)	107.1	106.8	104.7
Gt. Brit. (Nov.)	169.4	169.4	166.9

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle.— Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Company Meetings

1946	Company	Place
Mar. 25	Cinzano Ltd.	Montreal
Mar. 25	Monarch Knit.	Toronto
Mar. 25	Wool Combing	Toronto
Mar. 26	Can. N. Power	Montreal
Mar. 26	Donnacona Paper	Quebec, Que.
Mar. 26	Gypsum, Lime & Ala.	Paris
Mar. 26	Modern Containers	Toronto
Mar. 27	Cockshutt Plow	Brantford
Mar. 27	Eastern Steel	Toronto
Mar. 27	G. Tamblyn	Toronto
Mar. 28	Ambrican Invest.	Toronto
Mar. 28	Macassa Mines	Toronto
Mar. 28	Robert Mitchell	Montreal
Mar. 29	Can. Gen. Invest.	Toronto
Mar. 29	Can. Locomotive	Kingston
Mar. 29	Massey-Harris	Toronto
Mar. 29	Moore Corp.	Toronto
Mar. 29	Preston East Dome	Toronto
Apr. 1	Rolland Paper	Montreal
Apr. 4	United Corp.	Montreal
Apr. 17	Dom. Tar & Chem.	Montreal
Apr. 17	Montreal Cottons	Montreal
Apr. 17	Ottawa L., Heat & Pwr.	Ottawa
Apr. 24	Asbestos Corp.	Montreal
Apr. 24	Inter. Nickel	Toronto
Apr. 24	Western Grocers	Winnipeg
Apr. 25	Montreal Tramways	Montreal
Apr. 26	Third Can. Gen. Inv.	Toronto
May 1	Inter. Utilities	New York

Dividends Declared

	This payment $	Date payable	Date of record
Acadio-Atlan. A ..	.25	Apr. 1	Mar. 10
Agnew-Surp. 7% p.	1..75	Apr. 1	Feb. 28
Aluminum 5% pf.	1.25	May 1	Apr. 3
Ang.-Can. Tel. pf. .	.68½	May 1	Apr. 10
Am. Cyanamid	†.25	Apr. 1	Mar. 4
Asbestos .... .20 &	.10‡	Mar. 31	Mar. 7
Ashdown Hard., A	*.15	Apr. 1	Mar. 15
Bk. Nov. Scotia ...	.30	May 1	Apr. 15
Beaver Lumber ...		Apr. 1	Mar. 10
Beatty Bros., A	.50	Apr. 1	Mar. 15
Do., B	.50	Apr. 1	Mar. 15
Belding-Cor. 7% p.	1.75	Apr. 1	Feb. 28
Belding-Cort.	1.00	Apr. 1	Feb. 15
Belgium Glove ..	.17½	Apr. 11	Mar. 15
Do., 5% pr.	.25	Apr. 1	Mar. 1
Bell Telephone	2.00	Apr. 15	Mar. 23
Bralorne Mines	.20	Apr. 15	Mar. 23
Brazilian Tract. ..	1.50	Apr. 1	Mar. 14
Br.-Amer. Assur. .	1.50	Apr. 1	Mar. 26
B. C. P. & P. 7% pf.	1.75	May 1	Apr. 15
Brew. & Dist. ...50 +	.20	May 20	Apr. 19
Burlington Steel ..	.15	Apr. 1	Mar. 11
Brant. Cordage ...	.12½	Apr. 15	Mar. 20
Do., pref.	.32½	Apr. 15	Mar. 20
British Am. Oil ...	.25	Apr. 1	Mar. 12
B. C. El. Pr., 6% pf.	1.50	Apr. 1	Mar. 20
B. C. Power, A	.40	Apr. 15	Mar. 30
Building Prod.	.25	Apr. 3	Mar. 15
Calgary & Edmon.	.05	Apr. 16	Mar. 19
Can. Cottons	.45	Apr. 1	Mar. 1
Do., 6% pfd.	.30	Apr. 1	Mar. 1
Can. Breweries ...	.25	Apr. 1	Feb. 28
Can. Celanese	.50	Mar. 31	Mar. 15
Do., pref.	.43¾	Mar. 31	Mar. 15
Can. Gen. Inv. .15 &	.24	Apr. 15	Mar. 30
Can. Indust., A & B	1.50	Apr. 30	Mar. 29
Do., 7% pref.	1.75	Apr. 15	Mar. 15
Can. Westinghouse	.50	Apr. 1	Mar. 15
Candn. Fgn. Inv...	.75	Apr. 1	Mar. 1
Can. Food Prod. ..	.12½	Apr. 1	Feb. 28
Do., "A"	.25	Apr. 1	Feb. 28
Can. Perm. Mtge..	2.00	Apr. 1	Mar. 15
C. Pac. Rly. ord...	.75	Mar. 30	Feb. 25
Can. Packers, A	.75	Apr. 1	Mar. 1
Do., B	.25	Apr. 1	Mar. 1
Can. Canners	.27½	Apr. 1	Mar. 9
Do., 1st pf. . .15 &	.10‡	Apr. 1	Mar. 9
Do., 2nd pf. . .25 &	.05‡	Apr. 1	Mar. 9
Can. Dry	†.25	Apr. 1	Mar. 15
Do., pf.	†1.06¼	Apr. 1	Mar. 15
Can. Gen. El.	2.00	Apr. 1	Mar. 15
Can. Oil .... .15 &	.02½‡	May 15	May 1
Do., 5% p.	1.25	Apr. 1	Mar. 20
Do., 8% p.	2.00	Apr. 1	Mar. 20
Can. Iron	.40	Apr. 15	Apr. 1
Do., 6% pf.	.30	Apr. 15	Apr. 1
Cockshutt Plow ...	.25	June 1	May 1
Do.	.25	Dec. 2	Nov. 2
Comm. Alcohols ..	.05	Apr. 15	Mar. 30
Do., 8% pfd.	.10	Apr. 15	Mar. 30
Can. Steamships ...	.50	Apr. 15	Mar. 21
Cons. Press, A	.20	Apr. 1	Mar. 15
Crown Cork	.50	May 15	Apr. 10
Can. Ing.-Rand	.50	Mar. 27	Mar. 15
Central Pat.	.02	Apr. 1	Mar. 4
Chartered Trust ..	1.25	Apr. 1	Mar. 15
Can. Silk Prod.	.37½	Apr. 1	Mar. 30
Confederation Life.	1.50	Jun. 15	Jun. 10
Do.	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Con. Bakeries ord.	.20	Apr. 1	Mar. 5
Cinzano Ltd. 5½% p.	.05	Apr. 16	Mar. 9
Carnation, 4% pfd.	†1.00	Apr. 1	Mar. 18
Can. Cycle 5% pf.	1.25	Mar. 30	Mar. 15
Cassidy's, 7% pfd. .	1.75	Apr. 1	Mar. 2
Can. Bread 4½% pf.	1.12½	Apr. 2	Mar. 10
Can. Bread 5% pf.	.62½	Apr. 2	Mar. 10
Can. Northern Pr.	.15	Apr. 25	Mar. 20
Do., 7% pf.	1.75	Apr. 15	Mar. 20
Can. Wire Box. A	.37½	Apr. 1	Mar. 11
Cent. Can. Loan ...	2.00	Apr. 1	Mar. 16
Celanese Corp.	†.50	Mar. 30	Mar. 18
Do., 1st pref. ...	†1.18¾	Apr. 1	Mar. 18
Do., 2nd pref. ...	†1.75	Apr. 1	Mar. 18
Consumers Gas ...	2.00	Apr. 1	Mar. 15
Crain, R. L.	*.10	Apr. 1	Mar. 15
Cres. Creamery, pf.	5.00	Apr. 15	Mar. 30
David-Frere, A .25&	.25†	Mar. 30	Mar. 15
Dom. & Ang. Inv. 5% pfd.	1.25	June 1	May 15
Dist. Corp.-Seag. 5% pf.	†1.25	May 1	Apr. 13
Dom. Bank	.25	May 1	Apr. 15
Dom. Fabrics	.20	May 1	Apr. 15
Do., 1st pref.	.75	May 1	Apr. 15
Do., 2nd pref.	.37½	May 1	Apr. 15
Dom. Glass	1.25	Apr. 15	Mar. 28
Do., 7% pref.	1.75	Apr. 15	Mar. 28
Dome Mines	.30	Apr. 30	Mar. 30
Dom. Malt.	.20	May 1	Mar. 31
Do.	.20	Aug. 1	June 30
Do., 5% pfd.	1.25	May 1	Mar. 31
Do.	1.25	Aug. 1	June 30
Dom. Oilcloth .. .30&	.10	Apr. 30	Mar. 30
Dom. Textile	1.25	Apr. 1	Mar. 5
Do., 7% pfd. ..	1.75	Apr. 15	Mar. 15
Dom. Tar & Chem.	.25	Apr. 15	Apr. 1
Dom. Dairies, p. ...	.43	Apr. 15	Mar. 30
Dom. Foundries ...	.35	Apr. 1	Mar. 9
Economic Invest..	1.20	Apr. 1	Mar. 1
Fanny Farmer ...	†.37½	Mar. 30	Mar. 15
Famous Players	.15	Mar. 23	Mar. 4
Fleet Aircraft	.25	Apr. 15	Mar. 30
Foothills Oil	.12½	Apr. 1	Mar. 20
Foundation Co.	.35	Apr. 18	Mar. 30
A. J. Freiman, 6% pf. ...... 1.50&	1.50	Apr. 1	Mar. 15
Fraser Cos.	.50	Apr. 25	Mar. 30
Gatineau Pwr.	.22	Apr. 1	Mar. 1
Do., 5% pfd.	1.25	Apr. 1	Mar. 1
Do., 5½% pfd. ..	1.37	Apr. 1	Mar. 1
Goodyear Tire ...	1.00	Apr. 1	Mar. 1
Do., 5% pfd. ...	.62½	Apr. 1	Mar. 1
G. & Belyea, A, n. .	.62½	Apr. 1	Mar. 20
Do., "B"	.62½	Apr. 1	Mar. 20
Gt. West Life Assce.	3.75	Apr. 1	Mar. 20
Gt. W. Saddl'y 1 p.	.75	Mar. 30	Feb. 28
Do., 2nd pfd. ...	.75	Mar. 30	Feb. 28
Gt. Lakes Pwr., p. .	1.75	Apr. 15	Mar. 30
Greening Wire	.05	Apr. 1	Mar. 1
Grand & Toy	.15	Apr. 1	Mar. 23
Gt. L. P., "A" & "B"	.25	Apr. 1	Mar. 15
Hart Battery	.10	Apr. 2	Feb. 28
Hinde & Dauch	.25	Apr. 1	Mar. 15
Hollinger G. M.	.10	Mar. 30	Mar. 4
Huron & Erie	1%	Apr. 1	Mar. 15
Imperial Bank	.25	May 1	Mar. 30
Imperial Life	3.75	Apr. 1	Mar. 30
Imp. Tob., ord .. .10+	.15	Mar. 30	Feb. 12
Ind. Accept. 5% p.	1.25	Mar. 31	Mar. 1
Int. City Baking ...	.75	Mar. 30	Mar. 15
Int. Bronze	.20	Apr. 15	Mar. 15
Do., 6% pfd.	.37½	Apr. 15	Mar. 15
Inv. Found. 6% pf.	.75	Apr. 15	Mar. 15
Intnl. Paper	†.50	Mar. 30	Mar. 8
Do., 5% pref. ..	†1.25	Mar. 30	Mar. 11
Intnl. Metal "A" ..	.40	Apr. 1	Mar. 14
Do., 4½% pf.	1.12½	Apr. 1	Mar. 14
Intnl. Nickel	†.40	Mar. 30	Feb. 28
Do., 7% pfd. ...	†1¾%	May 1	Apr. 1
Jamaica P. Serv...	.17	Apr. 1	Feb. 28
Do., 7% pfd.	1.75	Apr. 1	Feb. 28
Journal Publish. ...	.17	Apr. 15	Mar. 18
John Labatt	.25	Apr. 15	Mar. 29
Kirkland Lake G. M.	.02	May 1	Mar. 29
Lang & Sons	.25	Apr. 1	Mar. 11
Lake St. John Pwr.	.50	Apr. 15	Mar. 22
Lamaque G. M.	.05	June 1	Apr. 23
Langley's 7% pfd.	.50	June 11	June 4
Do.	.50	Sept. 11	Sept. 4
Do.	.50	Dec. 11	Dec. 4
Lon. Can. Inv., pf.	1.75	Mar. 21	Mar. 15
Lowney Co.	.12½	Apr. 2	Mar. 1
Louisiana Land ..	†.10	Mar. 15	Mar. 1
MacMillan Export	.05	Mar. 30	Mar. 20
Maple Leaf Mill. ..	.50	May 1	Apr. 5
Marcus Loew's	1.00	Mar. 30	Mar. 11
Do., 7% pfd.	1.75	Mar. 30	Mar. 11
Massey-Harris	.25	Apr. 15	Mar. 20
McColl-Front., pfd.	1.50	Apr. 15	Mar. 30
Modern Con.	.30	Apr. 1	Mar. 1
Do., 5½% p. ..	1.37½	Apr. 1	Mar. 20
Montreal Loan	‡.25	Apr. 15	Mar. 30
Montreal Tel.	.48	Apr. 15	Mar. 15
Moore Corp.	.55	Apr. 1	Mar. 8
Do., 7% A&B p. .	†1.75	Apr. 1	Mar. 8
Monarch Kt. 7% p. .	1.75	Apr. 1	Feb. 22
Do., 5% pf.	1.25	Apr. 1	Feb. 22
Molson's Brew. ..	.25	Mar. 27	Mar. 6
Murphy Paint	.20	Apr. 1	Mar. 11
Do., 5½% pfd.	1.37½	Apr. 1	Mar. 11
Nat. Breweries ...	.50	Apr. 1	Mar. 8
Do., 7% pfd.	.44	Apr. 1	Mar. 8
Nat. Steel Car	.37½	Apr. 15	Mar. 15
Natnl. Biscuit	†.30	Apr. 15	Mar. 8
Natnl. Grocers ...	.15	Apr. 1	Mar. 1
Do., $1.50 pf. ..	.37½	Apr. 1	Mar. 1
National Trust	2.25	Apr. 1	Mar. 16
Niagara Wire	.25	Apr. 1	Mar. 6
N. S. Lt. & Pwr. ..	1.50	Apr. 1	Mar. 14
North Star Oil, pf. .	.08¾	Apr. 1	Mar. 16
Ogilvie Flour	.25	Apr. 1	Feb. 26
Ottawa El. Rly.	.80	Apr. 1	Mar. 15
Ottawa Lt. & Pr..	.15	Apr. 1	Feb. 20
Do., 5% pf.	1.25	Apr. 1	Feb. 20
Ont. Loan & Deb. ..	1.25	Apr. 1	Mar. 15
Ont. Steel Prod.	.25	May 15	Apr. 15
Do., 7% pfd.	1.75	May 15	Apr. 15
Que. Tel. & Pwr. "A"	.40	Mar. 15	Mar. 12
Page-Hersey	.31¼	Apr. 1	Mar. 15
Paymaster	.01	May 10	Apr. 10
Paramount Pict. .	†.50	Mar. 29	Mar. 8
Perron G. M.	.02	Mar. 30	Feb. 28
Preston E. Dome..	.03	Apr. 15	Mar. 15
Price Bros.	1.50	May 1	Apr. 10
Do., pfd.	1.37½	Apr. 1	Mar. 1
Power Corp. 6% p.	1.50	Apr. 15	Mar. 20
Do., 6% 2 pt. pf.	.75	Apr. 15	Mar. 20
Reg't Knit $1.60 p.	.40	June 1	May 1
Do.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Rem. Rand .. †.30&	▪5%	Apr. 1	Mar. 8
Do., pref.	†1.12½	Apr. 1	Mar. 8
River. S. Mills, A ..	.50	Apr. 2	Mar. 13
Robertson, P. L.	.50	Apr. 1	Mar. 20
Do., pfd.	.62½	Apr. 1	Mar. 20
Russell Ind.	.40	Mar. 30	Mar. 15
Saguenay Pwr., p. .	1.06	Apr. 1	Mar. 11
San Antonia	.10	Apr. 6	Mar. 6
Sher.-Wms. 7% pf.	1.75	Apr. 1	Mar. 8
Sheep Creek	.03	Apr. 15	Mar. 30
Sicks' Brew.	.40	Mar. 30	Feb. 28
Silverw'd Dairies .20+	.10‡	Apr. 1	Feb. 28
Do., 40c pf.	.20	Apr. 1	Feb. 28
Silverwood (West.) 5% pfd.	1.25	Apr. 1	Feb. 28
H. Smith Paper ...	.25	Apr. 30	Mar. 30
Do., 6% pfd.	1.50	Apr. 20	Mar. 30
Southern Can. Pr.	.20	May 15	Apr. 19
Do., 6% pr.	1.50	Apr. 15	Mar. 20
St. John D'dock. pf.	1.37½	Apr. 1	Mar. 23
St. Lawrence Corp. A	.25	Apr. 15	Mar. 22
St. Lawrence Pap., p.	.75	Apr. 15	Mar. 22
St. Lawr. Flour ...	.40	May 1	Mar. 31
Stand. Chem. pfd.	1.25	June 1	Apr. 30
Stand. Fuel, 6½% pfd. 1.00 &	1.00	Apr. 1	Mar. 15
Stan. Paving pf. ..	.31¼	Apr. 1	Mar. 1
Stedman Bros. ...25&	.50	Apr. 1	Mar. 20
Sun Life Assur. ...	3.75	Apr. 1	Mar. 15
Sylvanite Gold	.03	Apr. 1	Feb. 4
Tamblyn	.20	Apr. 1	Mar. 8
Do., 5% pf.	.62½	Apr. 1	Mar. 8
Teck-Hughes	.05	June 1	Apr. 23
Third C. G. Inv. T.	.19½	Apr. 1	Mar. 15
Thrift Stores, 6½% pf.	.40½	Apr. 1	Mar. 20

DIVIDEND NOTICES

IMPERIAL BANK OF CANADA

DIVIDEND NO. 223

Notice is hereby given that a Dividend of Twenty-five cents (25c) per share has been declared for the quarter ending 30th April, 1946, payable at the Head Office and Branches on and after Wednesday, the 1st day of May next, to shareholders of record of 30th March, 1946.

By order of the Board.

W. G. MORE,
General Manager.

Toronto, 13th March, 1946.

PENMANS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1946.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 1st day of May to Shareholders of record of the 1st day of April, 1946.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of May to Shareholders of record of the 15th day of April, 1946.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, March 18, 1946.

The Borden Company

ANNUAL MEETING

The annual meeting of stockholders will be held on Wednesday, April 17, 1946, at 11:00 o'clock A.M. (Eastern Standard Time) at 43 Park Avenue, Flemington, Hunterdon County, New Jersey.

Only stockholders of record at the close of business on Tuesday, March 19, 1946, will be entitled to vote at said meeting, notwithstanding any subsequent transfers of stock.

The stock transfer books will not be closed.

The Borden Company
THEODORE D. WAIBEL, *Secretary*

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 35

Notice is hereby given that an interim dividend of five cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on Friday, April 26th, 1946, to shareholders of record at the close of business on Friday, March 29th, 1946.

By Order of the Board.

G. A. CAVIN,
Secretary-Treasurer.

Toronto, Ontario,
March 15, 1946.

DOMINION STEEL & COAL "B" SHAREHOLDERS ATTENTION

If your stock is not registered in your own name, or if you have not received a special circular about this company recently, write immediately to Chairman of Protective Committee, 908 Dominion Sq. Bldg., Montreal 2, Que., to receive important and valuable information.

Just print your name and address clearly. State number of shares you own, and whether held outright or carried on margin. Act at once. This ad. may not appear again.

General Steel Wares Limited

PREFERRED DIVIDEND

Notice is hereby given that a dividend of ONE DOLLAR AND TWENTY-FIVE CENTS ($1.25) per share has been declared for the quarter ending April 30th, 1946, on the outstanding preferred stock of this Company, payable May 1st, 1946, to shareholders of record April 3rd, 1946.

By Order of the Board.

FRANK S. BROPHY,
Secretary.

Montreal, March 14th, 1946.

General Steel Wares Limited

COMMON DIVIDEND

Notice is hereby given that a dividend of TWENTY CENTS (20c) per share has been declared for the quarter ending April 30th, 1946, on the outstanding Common Stock of this Company, payable May 15th, 1946, to shareholders of record April 17th, 1946.

By Order of the Board.

FRANK S. BROPHY,
Secretary.

Montreal, March 14th, 1946.

QUEBEC POWER COMPANY

NOTICE is hereby given that a dividend of twenty-five (25c) cents per share has been declared on the no par value common shares of the Company for the quarter ending March 31, 1946, payable May 25, 1946, to shareholders of record April 19, 1946.

By Order of the Board,

H. G. Budden,
Secretary.

Montreal, March 18, 1946.

Dividends Declared (Cont'd)

Tooke Bros.	.25	Apr. 3	Mar. 15
Toronto Gen. Tr. ..	1.50	Apr. 1	Mar. 8
Toronto Iron	.15	Apr. 1	Mar. 15
Do., A	.15	Apr. 1	Mar. 15
Toronto Mtge	1.25	Apr. 1	Mar. 15
Traders F. 4½% p	1.12½	Apr. 1	Mar. 15
Tuckett Tob. 7% p.	1.75	Apr. 15	Mar. 29
Twin Cty R. T., pf.	†.62½	Apr. 1	Mar. 23
Un. Fuel 6% A p.	.75	Apr. 1	Mar. 9
Viau, 5% pref.	1.25	Apr. 1	Mar. 20
Victoria Trust	1.25	Apr. 1	Mar. 15
Wabasso	1.00	Apr. 1	Mar. 16
W. Kootenay Pr., pf.	1.75	Apr. 1	Mar. 18
Western Grocers ..	.75	Apr. 15	Mar. 15
Do., 7% pref. ...	1.75	Apr. 15	Mar. 15
Wilsil Ltd.	.25	Apr. 1	Mar. 8
Wellington Fire ..	1.75	Aug. 15	Aug. 12
Western Assur.	1.20	Apr. 1	Mar. 26
Weston, Geo.	.20	Apr. 1	Mar. 9
Woods Mfg. Co. ..	.50	Mar. 30	Feb. 28
Wool Combing	.25	Apr. 10	Mar. 25
Wright-Harg.	.05	Apr. 1	Feb. 21
Zeller's Ltd.	.25	May 1	Apr. 15
Do., 5% pfd.	.31¼	May 1	Apr. 15
Do., 6% pfd.	.37½	May 1	Apr. 15

†N.Y. funds.
‡Extra.
*Initial.
▪Stock Bonus.

DIVIDEND NOTICES

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 306

Notice is hereby given that a Dividend of thirty cents per share on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of April 15th, 1946, and that the same will be payable on and after Wednesday, the first day of May next, at any of the offices of the Bank in Canada.

By order of the Board.

H. L. ENMAN,
General Manager.

Halifax, N.S., March 12th, 1946.

THE DOMINION BANK

Dividend No. 254

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th April, 1946. The dividend will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the first day of May, 1946, to shareholders of record of the 15th April, 1946.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 14th March, 1946.

The Canadian Bank of Commerce

DIVIDEND NO. 237

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share, in Canadian Funds, on the paid-up Capital Stock of this Bank has been declared for the quarter ending 30th April, 1946, and that the same will be payable at the Bank and its Branches on and after WEDNESDAY, the FIRST day of MAY next, to Shareholders of record at the close of business on 30th March, 1946. The Transfer Books will not be closed.

By Order of the Board,

S. M. WEDD,
General Manager.

Toronto, 15th March, 1946.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the Current Quarter, and that the same will be payable on and after 1st April, 1946, to shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,

P. SIMMONDS,
Manager.

7th March, 1946.

Kirkland Lake Gold Mining

DIVIDEND NO. 23

A semi-annual dividend of two cents per share on the outstanding capital stock of the Company has been declared payable May 1st, 1946, to shareholders of record March 29th, 1946.

Taxes imposed on shareholders' dividends will be deducted where applicable.

By Order of the Board,

H. F. CASSIDY,
Secretary-Treasurer.

Toronto, February 22nd, 1946.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1946.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1946.

The above Dividends will be paid on Monday, the 15th day of April, 1946, to shareholders of record at the close of business Thursday, the 28th day of March, 1946.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 28th February, 1946.

PAYMASTER CONSOLIDATED MINES, LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 10

NOTICE is hereby given that an interim dividend of ONE CENT per share on the issued capital stock of the Company will be paid on May 10th, 1946, to shareholders of record at the close of business on April 10th, 1946.

By Order of the Board.

E. L. O'REILLY,
Secretary.

Toronto, January 25th, 1946.

Fleet Aircraft, Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of .25c per share has been declared by the Directors of Fleet Aircraft, Limited, on all the outstanding shares of the capital stock of the Company payable, subject to the approval of the Foreign Exchange Control Board, on April 15th, 1946, to shareholders of record March 30th, 1946.

BY ORDER OF THE BOARD,

G. C. Chataway,
Secretary.

Fort Erie, Ontario.
March 7th, 1946.

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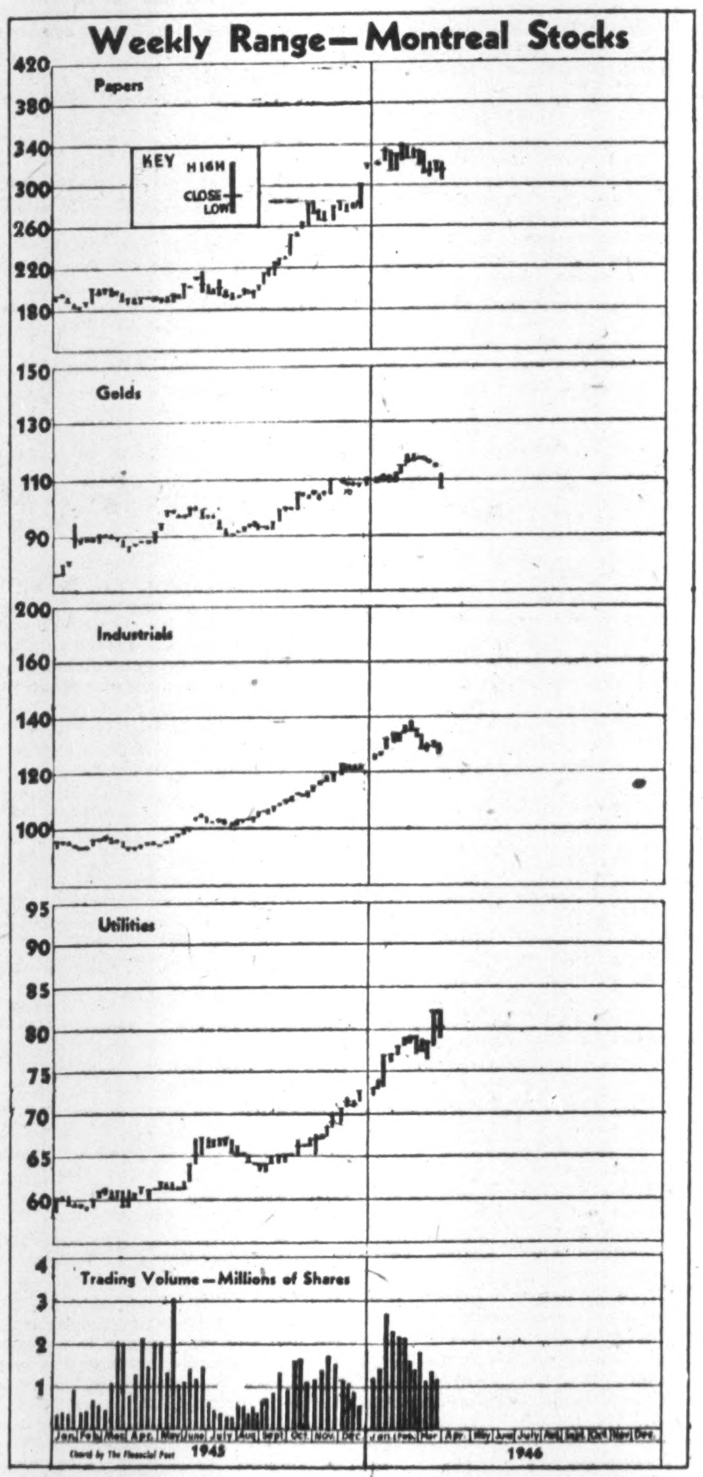

—*Photo by Randolph Macdonald.*

BENSON L. COYNE, B. COM.

F. H. Deacon & Co., Toronto stockbrokers, have announced the reappointment of Mr. Coyne as manager of their bond department. Mr. Coyne recently returned from overseas.

THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND No. 139

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Preference Shares of the Company has been declared for the quarter ending March 31, 1946, payable May 1, 1946, to shareholders of record at the close of business April 8, 1946.

By Order of the Board,

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, March 14, 1946.

THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND No. 117

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Ordinary Shares of the Company has been declared for the quarter ending March 31, 1946, payable May 1, 1946, to shareholders of record at the close of business April 8, 1946.

By Order of the Board,

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, March 14, 1946.

Famous Players 1946 Earnings Up

To date in 1946, earnings of Famous Players Corp. are very substantially ahead of last year, President J. F. Fitzgibbons, told the annual meeting this week.

Much wider distribution of shares in the hands of the Canadian public has been effected by the recent common share splitup plan. Paramount Pictures' common stock interest will be reduced to 69% from 89% and holdings of the Canadian public will be increased to 31% from 11%.

The new financing will completely retire all mortgage and bond indebtedness the president said, adding that the company is now ready to face any economic situation which may arise.

The corporation is ready for installation of television in its theatres across Canada, when Government allots wavebands. The linkup with Paramount (controlling company) means that Famous Players has all the experience of that organization in television, Mr. Fitzgibbons stated.

Dominion Engineering Works, Limited

DIVIDEND NOTICE

A Dividend of TWO DOLLARS ($2.00) per share out of the accumulated profits has been declared on the No Par Value Shares of this Company, and ordered to be paid on the 25th April, 1946, to shareholders of record at the close of business on the 30th March, 1946.

By Order of the Board,

F. W. EVENS,
Secretary.

Montreal, Que., 15th March, 1946.

Treatment of Inventory Values in Financial Statements

Discretionary Tax Powers Complete evidence on that subject before Senate Tax Committee

The above are features in

THE CANADIAN CHARTERED ACCOUNTANT

issue of March 1946

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Market Comment

The stock market continues to turn in a most indecisive performance. Bears, at the moment, appear to about equal the number of "bulls" but both groups are coutious.

Recovery from recent lows, while substantial, is still not quite substantial enough to inspire any large-scale commitments, many investment experts claim. Much of the up-turn has been purely technical and accomplished on very lagging market action.

Recent overseas tension continues to counteract a somewhat brightening labor picture. Some easing in the foreign tension, however, has had a fairly rapid reflection in New York market action. There is every indication that this will continue for awhile if the situation proves successively clearer. But even this could just amount to a minor uptrend in an over-all secondary reaction that has not quite spent its full force as yet, some investment experts insist.

But as one investment writer states, "there is probably no instance in history where a depression occurred under the conditions which now prevail." The market far overvalued the stage of industrial development; that is widely conceded.

Canadian mining issues so far have taken recent strike news with remarkable equanimity. General feeling among mining investors is that this group suffered out of proportion with other groups in recent market slide and that the board is studded with "buys" to-day. Against this psychology strike news so far has been powerless.

• • •

Barron's: The Trader (New York) Unfortunately the immediate outlook does not promise that the elements of the economic organization will soon get into gear. If the theory of the Administration, as announced by Chester Bowles, is pursued literally and we have a period where business is done without profit the solution will not be easy. It is still true that profits are necessary to sustain buying power

• • •

New Highs and Lows

During the week ended Mar. 18 there were 33 new highs recorded among the "general" stocks traded on Canadian stock exchanges and five new lows. In the mining group there were six new highs and 51 new lows. There were four new highs and six new lows recorded by the oil stocks.

GENERAL

New Highs—1945-46

Abitibi, 7% pref.
Acme Glove, pref.
Beaver Lumber
Br. Am. Bank N.
B. C. Packers
C. Bread, 2nd pf.
Capital Estate
Cassidy's
Coast Breweries
Cons. Press
C. Bread, 1st pf.
Can. Perman.
Can. W. Cable
Davis Leath., pf.
Inter. Bronze, pf.
Invest. Founda.
L. of Woods, pf.
McBrine
Mont. Cot., pref.
Mont. Tele.
Ottawa El. Rly.
Quebec Power
Sicks Brew.
Simpson, pref.
St. Law. Flour
Stedman Bros.
Steel of Canada
Stuart, D. A., pf.
Tamblyn, pref.
Tooke Bros.
Wabasso Cot.
Western Grocers
Do., pref.

New Lows—1945-46

Algoma Steel
Ang. Can. Tel. p.
Br. Am. Bk. Nts.
Can. Brew., rts.
Stand Chem., rts.

MINING

New Highs—1945-46

Lunward
Kerr Addison
Lunward
North Inca
Wekusko
Westville

New Lows—1945-46

Alger
Ansley
Atlas Y'fe.
Bear Exploration
Bevcourt
Bidgood
Broulan
Buffalo R.L.
Calder B.
Callinan
Centremaque
Chesterville
Colomac
Crestaurum
Croinor
Fontana
Goldbeam
Goldoro
Goldvue
Headway
Homer Y'fe.
Indian Lake
Kay Rand
Lake Dufault
Lingside
Lunward
Malartic G.
Martin McN.
McKenzie R. L.
Nib Y'fe.
Nicholson
Norbenite
Orlac
Orenada
Osiska rts.
Paramaque
Pen-Rey
Pitt Gold
Porc. Pen.
Queenston
Rush Lake
Ryanor
Sannorm
Sheep Creek
Soma-Duv.
Trans. Res.
Union Mining
Vicour
Wasa Lake
West. Mal.
Westville

OILS

New Highs—1945-46

Alliance
Lethbridge
Trans Alta.
Turner Valley

New Lows—1945-46

Admiral
Freehold
Grease Creek
Madison
Mid Cont.
Spooner

The Brick Company's
The Sugar Company's

Both of these Industries should benefit by the demand for their products the next few years

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The Western Trust Company

Balance Sheet as of January 1, 1946

CAPITAL ACCOUNT

ASSETS			LIABILITIES	
Mortgages and Agreements for Sale		$ 304,987.11	Capital Stock: Authorized—20,000 shares of $100.00 each	$2,000,000.00
*Mortgage—The Western Realty Company, Limited, less reserve of $25,000.00		47,258.28	Issued—10,050 shares of $100.00 each	$1,005,000.00
Stocks, Bonds and Debentures (Market Value $1,150,000.00)	$1,081,352.35		Reserve—General	250,000.00
Interest Accrued on Bonds and Debentures	7,671.28	1,089,023.63	Reserve for Mortgages and Agreements for Sale	80,000.00
Advances to Estates, Trusts and Agencies	$ 31,860.20		Reserve for Stocks, Bonds and Debentures	56,597.00
Less Reserve	11,404.60	20,455.60	Deferred Profits	10,032.69
			Profit and Loss	136,678.23
				$1,538,307.92
Cash on Hand and in Banks		74,361.53	Sundry Creditors	2,377.99
Post-War Refund of Excess Profits Tax—estimated		5,060.00	Provision for Income and Excess Profits Taxes (after deducting installments paid, $36,000.00 in respect of taxes of the year ending January 1, 1946)	2,170.24
Office Furniture and Automobiles, less Depreciation		1,710.00		
		$1,542,856.15		$1,542,856.15

GUARANTEED ACCOUNT

Mortgages and Agreements for Sale	$ 49,676.24	Trust Funds for Investment, including Accrued Interest	$ 60,553.61
Bonds (Market Value $12,320.00)	10,877.37		
	$ 60,553.61		$ 60,553.61

ESTATES, TRUSTS AND AGENCIES

Assets of Estates, Trusts and Agencies held for Administration and Realization	$4,240,856.30	Estates, Trusts and Agencies	$4,208,996.10
		Due to Company for Advances	31,860.20
	$4,240,856.30		$4,240,856.30
Total	$5,844,266.06	Total	$5,844,266.06

Profit and Loss Account for the Year ended 1st January, 1946

Provision for Income and Excess Profits Tax	$ 36,965.00	Balance as at 1st January, 1945	$ 112,748.91
Dividend No. 56, paid 1st March, 1945	30,150.00	Net Profit before Income and Excess Profits Taxes	121,194.32
Dividend No. 57, paid 1st September, 1945	30,150.00		
Balance as at 1st January, 1946	136,678.23		
	$ 233,943.23		$233,943.23

*The Western Realty Company, Limited, is a wholly owned subsidiary company, the assets of which consist of real estate transferred from The Western Trust Company and carried at the following book values:

Building, including site, partly used as offices	$ 70,137.41
Real Estate acquired by foreclosure	32,621.50
	$ 102,758.91

We hereby certify that to the best of our knowledge and belief this statement is correct and shows truly and clearly the financial condition of the Company's affairs.

A. B. Adamson, Managing Director. Robert Johnston, President. Herbert Adamson, Director.

Auditors' Report to the Shareholders

Winnipeg, January 22, 1946.

We have examined the accounts of The Western Trust Company for the year ended January 1, 1946, and, in accordance with the provisions of the Trust Companies Act (Dominion), we have to report that we have obtained all the information and explanations we have required and, in our opinion, the appended balance sheet as of January 1, 1946, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as of January 1, 1946, according to the best of our information and the explanations given to us and as shown by the books of the Company.

PEAT, MARWICK, MITCHELL & CO., Chartered Accountants, Auditors.

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COMPANY REPORTS

CORRUGATED PAPER BOX CO. shows retained net profit up 8% in 1945. Production in the corrugated divisions was considerably increased in the final quarter of the year. Sales are being maintained at a high level in view of light paper supplies. Earned surplus account increased by $38,704 to $399,340 and reflects effects of Sept. 1, 1945, capital rearrangement. Major replacements have been made in the Winnipeg plant in the purchase of corrugating equipment.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$340,827	$313,723
Prof. on invest. sold	2,662	1,490
Less: Depreciation	54,316	45,266
Bond interest	3,250	......
Income tax♦	189,468	189,879
Net profit	96,455	80,068
Less: Pref. divd.	37,475	88,473
Surplus for year	58,980	†8,405
♦Incl. refund. EPT	25,436	25,873

*Deficit.

Earnings† per Share and Dividend Record:		
5% Pref.: Excl. ref. EPT	21.43	......
Incl. ref. EPT	27.09	......
Paid	1.25	......
7% Pref.: Excl. ref. EPT	*	$13.11
Incl. ref. EPT	*	17.35
Paid	5.25	7.00+7.00
Com.: Excl. ref. EPT	1.25	0.79
Incl. ref. EPT	1.80	1.34
None paid.		

†Based on shs. held by the public.
*Redeemed Sept. 1, 1945.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & mkt. secs.	$265,934	$176,089
Accts., etc., rec.	392,438	311,725
Inventories	222,219	333,381
Total curr. assets	880,591	821,195
Misc. assets▲	95,897	76,323
Investments	......	26,241
Fixed assets*	709,560	683,528
Total assets	1,685,548	1,607,287
Bank overdraft	......	33,945
Accts. & tax. pay.	238,674	206,557
Total curr. liab.	238,674	240,502
Funded debt	300,000	......
Res. for consol.	......	23,727
Capital res.	......	99,625
Capital stock	660,218	820,918
Surplus▲	486,656	422,515
*After depr. of	715,516	699,623
▲Incl. refund. EPT	87,316	61,880
Working capital	641,917	580,693

PROVINCIAL PAPER'S retained net profit for 1945 was up 17.5%. A substantial reduction in income tax provision was mainly responsible, as operating profit was down. Inventories on hand at year end were up approximately $120,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$931,664	$1,154,905
Less: Deprec.	300,000	300,000
Bond int.	152,689	158,904
U. S. exch. prem.	16,321	17,188
Inc. tax res.♦	165,500	426,000
Net profit▲	297,154	252,813
Less: Pref. div.	245,000	245,000
Surplus for year	52,154	7,813
♦Incl. refund. EPT	......	43,500

▲Note: Co's. report includes ref. EPT in net profit and surplus for year.

Times Interest† Earned:		
Before deprec.	5.51	6.56
After deprec.	3.74	4.85

†Incl. prem. U. S. exch.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$8.49	$7.22
Incl. ref. EPT	8.49	8.47
Paid	7.00	7.00
Com. Excl. ref. EPT	0.52	0.08
Incl. ref. EPT	0.52	0.51
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$1,380,584	$1,647,052
Accts. rec.	1,180,659	1,045,697
Inventories	1,652,381	1,542,986
Total curr. assets	4,213,624	4,235,785
Invests., etc.▲	368,904	331,667
Fixed assets	9,979,134	9,870,565
Total assets	14,561,662	14,437,967
Total curr. liab.	648,946	620,971
Funded debt	2,740,000	2,848,500
Deprec. res.	5,499,558	5,357,201
General res.	621,286	621,286
Capital stock	3,600,000	3,600,000
Surplus▲	1,451,872	1,390,009
▲Incl. refund. EPT	115,387	109,500
Working capital	3,564,678	3,614,764

ROBERT MITCHELL CO.'s 1945 operations showed $826,000 reduction in net earnings, $21,000 reduction in retained net profit. Earnings were $1.17 (excl. ref. EPT); $1.95 (incl. ref. EPT). Dividends were maintained at $2 a share.

President S. C. Holland reported that in 1945 $4,492,813 were returned to the Government as war profits were renegotiated. Of this, $3,578,484 is to be rebated by the Income Tax Dept.: the balance of the settlement was adjusted by way of a $572,821 reduction in ref. EPT, a $341,508 reduction in earned surplus.

Full operations in 1945 were not possible, said Mr. Holland, as government-owned equipment could not be removed. He expected this situation to be remedied soon and said the company would then be in position to supply a large consumer market.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$461,354	$1,286,957
Less: Deprec.	30,000	30,000
Prov. for inc. tax♦	346,458	1,151,292
Net profit	84,896	105,665
Less: Dividends	144,800	144,800
Deficit for year	59,904	39,135
♦Incl. refund. EPT	56,425	214,725

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.17	$1.46
Incl. ref. EPT	1.95	4.42
Paid	2.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds	$792,396	$1,189,905
Accts. rec.	463,640	970,698
Inventories	217,630	512,203
Total curr. assets	1,473,666	2,672,806
Misc. assets▲	732,478	1,186,524
Fixed assets	1,972,024	1,961,562
Total assets	4,178,168	5,820,892
Total curr. liab.	708,694	1,508,750
Deprec. res.	1,463,646	1,455,136
Capital stock	1,064,400	1,064,400
Capital surplus	50,212	47,881
Surplus▲	♦891,216	1,744,649
▲Incl. refund. EPT	732,262	1,178,649
Working capital	764,972	1,164,056

♦After deducting $914,329 arising from renegotiation of war contracts 1941-1944, of which $572,821 was charged to accumulated ref. EPT.

MODERN CONTAINERS LTD. had an increase in sales in 1945 but retained net profit was practically unchanged. Conversion from wartime to peacetime operations has not been a serious factor, and the company looks forward to increased earnings, President Leslie L. Finnie states.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$364,425	$338,613
Less: Deprec.	29,523	41,434
Income taxes♦	293,372	255,645
Net profit▪	41,530	41,534
Less: Pref. divds.	16,501	16,501
Com. divds.	30,000	30,000
Deficit for year	4,971	4,967
♦Incl. refund. EPT▪	53,140	45,591

▪Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$13.84	$13.84
Incl. ref. EPT	31.56	29.04
Paid	5.50	5.50
Com.: Excl. ref. EPT	1.00	1.00
Incl. ref. EPT	3.13	2.83
Paid	1.20	1.20

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$113,747	$63,347
Invest., book val.†	274,935	222,630
Accts. rec.	121,645	105,152
Inventories	114,899	144,698
Total curr. assets	625,226	535,827
Misc. assets▲	174,203	117,525
Fixed assets*	300,595	325,448
Total assets	1,100,024	978,800
Accts., etc., pay.	133,674	69,935
Taxes pay.	140,368	122,408
Total curr. liab.	274,042	192,343
Suspense acct.	80,800	62,739
Capital stock	372,749	372,749
Surplus▲	372,433	350,969
▲Incl. refund. EPT	158,681	105,545
*After depr. of	587,595	582,422
†Market value	278,259	220,400
Working capital	351,184	343,484

COLLINGWOOD TERMINALS' 1945 retained net profit was off 34.5%. Deficit account of $2,069 as at prior year end was increased to $10,776, due mainly to prior year adjustments for additional depreciation. Mortgages were reduced by a little over $20,000, to $354,048. Working capital position was considerably improved.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net oper. profit	$154,565	$161,604
Less: Int. chgs., net	10,661	17,810
Depreciation	59,216	49,983
Income tax res.♦	61,834	63,057
Net profit	22,854	30,754
Less: Dividends	9,586	19,173
Surplus for year	13,268	11,581
♦Incl. refund. EPT	8,240	8,385

Earnings per Share and Dividend Record:		
Pref. & Common: Excl. ref. EPT	$0.60	$0.80
Incl. ref. EPT	0.81	1.02
Paid	0.25	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$12,959	$25,994
Accts. rec.	49,477	34,785
Investments†	85,000	50,000
Total curr. assets	147,436	110,779
Misc. assets▲	90,400	83,420
Fixed assets*	446,202	519,978
Total assets	684,038	714,177
Total curr. liab.	48,866	50,194
Mortgage pay.	354,048	374,152
Capital stock	291,900	291,900
Less: Deficit▲	10,776	2,069
*After depr. of	563,689	475,875
†Approx. mkt. val.	86,966	49,850
▲Incl. refund. EPT	25,960	17,720
Working capital	98,570	60,585

J. S. MITCHELL CO. report a 10% increase in 1945 net earnings and net profit. President John C. Newman stated that $24,000 of 4½% ten-year serial debentures matured, leaving $144,000 outstanding at the year end. Properties were maintained in excellent condition, he added.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$302,535	$273,486
Less: Depr.	9,711	11,203
Int. on debents.	6,928	8,008
Inc. tax♦	231,835	204,945
Net profit	54,061	49,330
♦Incl. refund. EPT	38,115	33,235
Times Debent. Int. Earned:		
Before depr.	43.67	34.15
After depr.	42.27	32.75
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$3.60	$3.29
Incl. ref. EPT	6.15	5.50
Paid	2.50	2.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$463,594	$494,560
Accts. rec.	340,821	312,312
Inventories	392,424	281,032
Life ins., c.s.v.	63,123	57,990
Total curr. assets	1,259,962	1,145,894
Misc. assets▲	118,878	81,855
Fixed assets, less res.	301,475	307,195
Total assets	1,630,315	1,534,944
Total curr. liab.	498,061	395,070
Funded debt	144,000	168,000
Capital stock	340,445	340,445
Surplus▲	697,809	631,429
▲Incl. refund. EPT	112,565	75,416
Working capital	761,901	750,824

B. F. GOODRICH RUBBER CO. OF CANADA 1945 sales were at an all-time high, up 11.7% from 1944. President G. W. Sawin said the increase would have been greater "if we had the man power to operate efficiently those departments where machinery was available." Investments in new buildings, equipment and repairs totalled $1,047,751, and the Co. is committed to an additional $870,000 expansion. The footwear, industrial products and chemical divisions are involved in this program.

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(*The lady's Stetson is the "Overture" Style*)

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STEELOY MINING CORP., LTD., has advised the Montreal Curb Market it has received payment in full from George G. Ewens of $25,000 for 100,000 shares of stock under his option agreement dated Jan. 2, 1946, and further extended to Feb. 2, 1946. This will make a total of 2,203,005 shares outstanding as of end of January, and leave a balance of 796,995 shares in the treasury.

THRIFT STORES, LTD., second preferred and common stockholders have approved a capital rearrangement providing for a dividend of $2 a share on the 12,000 outstanding second preferred shares, and the conversion of each outstanding second preferred share into 1¼ common shares. In return the second preferred shares waive their rights to a redemption premium of $2 a share, and to arrears of dividends of $5.70 a share.

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It's the 'fightingest' game of the season. Every heart beats madly with the joy of battle.

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Yes, whoever wins... for that is true sportsmanship, the core of our way of life, whether in business or in play. It's the incentive that makes us applaud another's good work, although it may be to our disadvantage. It is the 'something' that smothers spiteful envy. The proud heritage we must strive fiercely to keep in our hearts.

And we must develop it in our children. We must make it strong within them so that in time to come, when the destiny of our nation is placed in their hands, they'll be fair-minded in their decisions, unbiased in their judgments.

• • •

The willingness to give credit where credit is due... to think and act impartially... to push recognition beyond one's own immediate interests... to win gracefully and lose cheerily... is the very essence of the Spirit of Sportsmanship... part of the Canadian Way of Life.

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Big Quemont Ore Bodies Point Way To $5 Millions of New Financing

By GORDON M. GRANT

With underground work and surface drilling gradually revealing the substantial ore measures of Quemont Mining Corp., the management of Quemont and its parent company, Mining Corp. of Canada, is working out financing for production.

This week the shareholders of Mining Corp. of Canada approved an increase in authorized capital of their company from two to 2.5 million shares as a preliminary to new financing by Mining Corp., financing which is designed to permit Mining Corp. to participate to the full in Quemont financing.

Rights at $8 a Share

It is expected that Mining Corp. shareholders will shortly be granted rights to purchase further Mining Corp. shares on the basis of one further share at $8 for each five shares held — unless there is some important change in world conditions.

With 1,754,006 Mining Corp. shares presently outstanding, such an offering of rights would involve taking up 350,801 at $8 placing more than $2.8 millions in the Mining Corp. treasury. But it is expected that the offering of rights will be underwritten and it would not be surprising if the underwriting group receives a chance to take up some further shares at $8 in consideration of underwriting the issue. This can be expected to place still further funds in the treasury if things go as expected.

English shareholders would not ordinarily be able to exercise their rights due to exchange restrictions but it is expected that saleable warrants will be issued covering the offering of rights, and that application will be made for listing these warrants on the Toronto Stock Exchange. Thus the English shareholders will be able to take advantage of the offering of rights.

$5 Millions for Quemont

By about mid-April, work will be sufficiently advanced at Quemont for definite plans to be laid for further financing, it is anticipated. Quemont has 1,751,807 shares outstanding at present. Its authorized capital is two million shares and this may be increased to 2.5 million shares (subject to appropriate approvals) but at the present time it does not appear that anything like the entire 2.5 million share authorized capital will be issued.

From present indications, it looks as if Quemont will need not less than $5 millions and probably a little over $5 millions for preliminary exploration, development and a mill. This sum does not embrace construction of a smelter, possible financing of which will be dealt with later.

To provide the $5 millions plus for Quemont, it appears probable—subject to a possible change in world conditions or a new find at the property—that Quemont shareholders will be offered rights on a basis of one new share at about $15 a share for each five shares held. That provides $5¼ millions. And it would only mean slightly in excess of 2.1 million shares outstanding. Should circumstances decide construction of a smelter whose cost might run $2-$3 millions, financing might be arranged in terms of a bond issue financed with a bonus of part of the remaining unissued shares.

The large-scale financing outlined above is predicated on the very substantial ore measures which are gradually being worked into the "positive ore" category. This spring an ore estimate should be possible which will make really interesting reading for shareholders.

NORTH WHITNEY MINES expended $11,299 in drilling in 1945, but work did not add much to situation as already known. Cash on hand was $6,014 and shares in other companies totalled $6,340 (market value $17,950), against no liabilities, at Dec. 31.

Inco Ore Gains In War Years

Drilling Betters Position Even With Unparalleled War Demands

While tonnage of ore treated was doubled during the later war years, International Nickel Co. of Canada has been able to expand its proven ore reserves despite the tremendous tonnage of ore removed, President R. C. Stanley points out in the company's 1945 report.

Proven reserves at the end of 1945 stood at 217,373,000 short tons containing 6,866,000 tons of nickel-copper compared with 212,368,000 tons containing 6,806,000 tons of nickel-copper at the end of 1938.

Average yearly output of ore for the three pre-war years, 1936-38 had been 5,321,634 short tons. War expansion resulted in 12,105,545 tons being treated in 1943, 12,117,567 tons in 1944 and 10,136,350 tons in 1945.

An extensive diamond drilling and exploration program made possible the expansion of ore reserves achieved.

Process improvement designed to increase efficiency of operations has been demonstrated satisfactorily in a pilot plant, it is stated, and work has been begun on an addition to the Copper Cliff smelter to provide for this betterment. Capital expenditures of $8 millions are projected for 1946 as compared with $2,999,282 in 1945.

Common earnings of $1.58 in 1945 against $1.71 (including refundable) in 1944 reflected a sharp decline in nickel deliveries following the end of the war, a decline which brought production rate down to 50% of expanded capacity by the end of 1945.

Recovery and eventual expansion are visualized by Mr. Stanley in these terms:

"As sales . . . are realized, it may be assumed that the business of Canada's great metal enterprise will resume its upward trend and will continue to occupy its place as a growing industry."

Postwar plans have taken much time and study and are now being placed in effect, Mr. Stanley indicates.

Expansion of the demand for nickel is anticipated. New applications such as use in low alloy steels in place of carbon steel will require nickel. Radar, Loran (for finding your position) and micro-wave beam transmission all employ nickel or nickel alloys. Heavier electroplating on automobiles and stainless steel are expected to require a larger tonnage of nickel.

Ontario Budget Provides Aid To Assist Mining Industry

A "new deal" for Ontario's mining industry is indicated in the 1946 budget brought down in the Ontario Legislature this week.

Provincial treasurer Leslie Frost indicated that assistance is planned on several fronts:

"What is being done for mining by the government is not reflected in the expenditures of the Mines Department alone," Mr. Frost declared. "In the estimates for the Department of Highways are great sums this year for the building of mining and development roads. The estimates of the Department of Education provide for better educational facilities in the mining areas . . .

Step up Appropriation

"In the Mines Department alone, plans for greater services have been made. Just as rapidly as qualified men can be obtained, they are being engaged by the Department. It is planned . . . to give the industry every technical and scientific assistance possible, in aerial surveys, mapping, geological work and . . . in training young prospectors. . . . This Department is being given $106,000 more this year, which brings the appropriation, omitting lignite, to $550,000."

Open Ground for Mining

For years, complaints have been registered that owners of mining claims have often held them dormant for years, withholding good ground from further testing. To foster reversion of dormant mining lands to the Crown, it is proposed to double the present acreage tax of five cents per acre and to extend the tax to include mining lands within organized municipalities and improvement districts.

NORMAN MALARTIC MINES plans a geophysical survey on its property, preparatory to diamond drilling.

Osulake Cuts Ore In Latest Drilling

A first drill hole put down in the current drilling program of Osulake Mines to determine rake and dip of the Miller showing at depth has returned two ore intersections, The Financial Post is informed. The first, from 103 to 105 ft. gave $13.86 over 2 ft. while starting at footage 138, 19 ft. averaged $10.55 with the last 8 ft. of this running $22.33.

Assays are now awaited from two further holes drilled 50 ft. east and 50 ft. west of hole No. 101, for which assays are reported above. Hole No. 101 has indicated a vein dip of 70 degrees. Present contract calls for 10,000 ft. of drilling. McWatters and Graham Bousquet are participating in financing.

VILLBONA GOLD MINES reports holes 31 and 32 completed. At vertical depth of above 290 ft. in hole 31, an average of $4.43 was returned over 3.3 ft. Two separate sections were cut in hole 32, showing good widths and low gold values, suggesting that intersections were outside the ore shoot.

NORSEMAN MINES completed drill holes 22 and 23 at 600 and 848 ft., respectively. Both borings explored north contact of Bourlamaque plug at points 1,100 ft. apart. Low gold values over substantial widths were noted with best section assaying $5 across 1-ft.

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The T-Group

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- VAUZE-DUFAULT
- GUBBY
- CYPRUS
- DON-X
- CANDEGO

These seven important mining properties under the T-Group management are reviewed in an attractive 3-color brochure prepared by the management. Sent free on request.

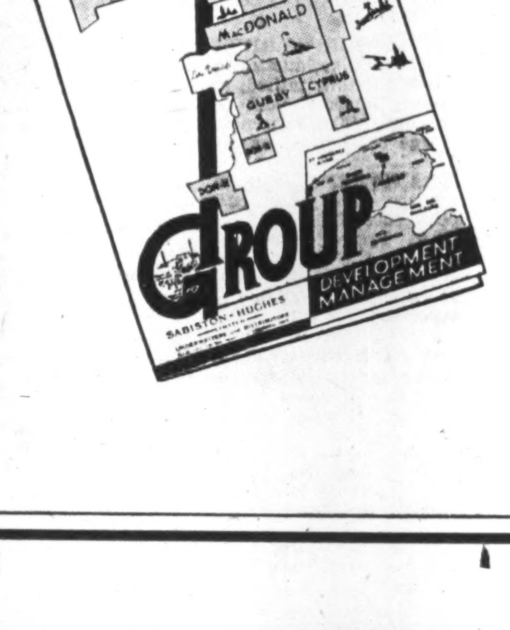
Selected because of their strategic locations and favourable geology, the T-Group properties in the Lake Dufault area, north of Noranda, and the Gaspe Peninsula, are being systematically and thoroughly explored.

The Management of the T-Group has had long and intimate association and experience in the development of the Noranda area, covering a period of twenty years. Some of these properties included in the T-Group have been under investigation and study for the last fifteen or eighteen years.

All of the T-Group properties are under the management of and development by a trained and co-ordinated staff of experienced executives, engineers, metallurgists, geologists, technicians and office personnel.

This provides each property with a wide range of professional services which it could not enjoy if it were being developed by itself.

The T-Group is well financed. On the six junior properties — Candego, Cyprus, Don-X, Gubby, Tromac and Vauze-Dufault to February 28th, a combined total of $827,225.05 had been received net by the companies, and in the combined treasury after Head Office and operating expenses of the six properties from their inception to the end of February, there is still remaining $609,496.26, placing these companies in a sound financial position.



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Falconbridge Refinery Works Ahead Nearly Up to Mine Output Level

Despite all the difficulties attendant on the end of a war, Falconbridge Nickel Mines has its refinery in Norway really going again and operations there will soon be in line with mine output, The Financial Post is informed.

There is a tremendous pent-up demand for nickel throughout the world but Sudbury operations of Falconbridge are still holding around 55% of capacity because many potential buyers do not possess the Canadian dollars with which to make purchases.

It is hoped that new arrangements for financing international trade will serve to loosen the strings of international buying but it is pointed out that so far few if any credit plans have become operative.

While shipping of matte to Norway, and operations there have been coming along "quite nicely," the shipping situation has not been entirely as regular as the company would like. This situation can change rapidly.

As it turned out, the Norwegian refinery was in remarkably good shape when the company got it back and there was not a great deal required by way of capital expenditures.

Working capital has been built up to $8,494,175 at the end of last September anticipating that the company's refinery might have to be replaced. The fact that the refinery has not had to be replaced means that the company is in a financial position to meet any extended period of uncertainty that may come along.

During the present period of reduced operation at its mine, Falconbridge is catching up on development. It appears, however, that Falconbridge has come through the war relatively well and rehabilitation is not as large as might be thought.

A large part of Falconbridge ore reserves are contained in outside properties as a result of the success of exploration there. It is understood that diamond drilling last summer resulted in some further extension of these indicated resources of ore on outside holdings.

MINING CONCENTRATES

AQUARIUS PORCUPINE GOLD MINES has completed plans to sink a shaft to 600 ft. with stations at 275, 400 and 525 ft. A power line is being run into the property. Ten holes totalling 6,329 ft. were completed in 1945, indicating a large tonnage, low to medium grade operation, company states. Current assets were $367,193 and current liabilities nil, as at Dec. 31, 1945.

* * *

ARMISTICE GOLD MINES reports that major portion of holdings to north and west of carbonate zone, remains to be prospected. Shaft is continuing to 680 ft. and at year-end had reached 528 ft. Development program calls for exploring major structure at 275, 400, 525 and 650-ft. horizons. It is hoped that a definite ore picture will be determined during 1946. Current assets were $163,051 and liabilities $3,024, as at Dec. 31.

* * *

ANGLO-ROUYN GOLD MINES completed 3-compartment shaft to 525 ft. and carried out 9,305 ft. of drilling in 1945. No. 1 quartz vein showed a drilled length of 800 ft. to depth of 500 ft. across 4½ ft. with indicated grade 0.25 oz. Drilling of copper-gold zone returned values in gold and copper, but extent of structure remains to be determined. Current assets were $456,103 and liabilities $7,156, as at Dec. 31.

CALDER-BOUSQUET GOLD MINES completed 6,414 ft. of drilling in 1945 which proved a zone 150 ft. in length to 150-ft. depth in west portion of property. Authorized capital was increased, early 1946, to four million shares and a new underwriting and option agreement [illegible]ned. Current assets totalled $45,170, against no liabilities, as at Dec. 31.

* * *

BEAULIEU YELLOWKNIFE MINES reports purchase of second group of six claims, known as F.S. group, in Beaulieu area, Yellowknife district, N.W.T. The group is about four miles east of Norma group presently being drilled.

* * *

CONALDAN YELLOWKNIFE MINES has been incorporated to consolidate 660 acres in Indin Lake area, N.W.T. Directors: Peter Schwerdt, president; William Robinson, vice-president; William A. Bishop, secretary-treasurer; James P. Manley and T. J. Lake.

* * *

DUVAY GOLD MINES says that drill hole 21, drilled to southeast from a point 70 ft. north of No. 1, cut under a large trench south of main shear and andesite hill. Some 6.7 ft. showed continuous values up to $3.50 and other sections from 2 to 3 ft. carried $1.40, $2.10 and $4.90.

* * *

ERROWANA GOLD MINES plans diamond drilling its Savant Lake property in Thunder Bay District, Ont.

* * *

..**ELDER GOLD MINES** advises that shaft station has been completed at 200 ft. Shaft has reached a depth of 230 ft. with east wall entering mineralization and quartz stringers. Chip channel sample taken at 200 ft. on east wall from hanging to foot wall of shaft, assayed $13.09 across 7½ ft.

* * *

GOLDVUE MINES advises that drill hole 31 is now down 250 ft. with sections between 150 and 200 ft. showing appreciable amounts of quartz sprinkled with fine and coarse pyrite. Holes 34 and 36 have been spotted west of 31 and to be drilled from north to south.

* * *

HARPERS MALARTIC GOLD MINES has moved drill to northeast part of property to check an area where values were secured in earlier drilling. Negotiations are under way for starting work on Yellowknife property this spring.

* * *

HEDLEY MONARCH GOLD MINES reports that downward extension of a strong ore shoot has been drifted for 450 ft. with one section of 120 ft. averaging 0.39 oz. on its 1,800 acres in Hedley area, B.C. Two lower levels driven, have not yet contacted ore. Diamond drills are now exploring downward extension of upper levels. Two mineralized sections are to be drilled this summer over a reported length of several thousand feet. One section is said about 30 in. in width.

* * *

LASALLE YELLOWKNIFE GOLD MINES is moving camps two claims north to claim adjoining Discovery Yellowknife. Some $10,000 in supplies have been ordered to carry development over breakup period.

* * *

LAPA CADILLAC GOLD MINES reports net loss of $44,439 in year ended June 30, 1945 ($69,132 in 1944). Liquid assets remained approximately the same in spite of continued participation in associated companies.

Substantial shareholdings are held in Lapaska Mines, Lapalartic Mines, The Russian Kid Mining Co., Kingston Silica Mines and Orcour Gold Mines (1940). Company also owns or retains interests in various groups of mining claims and recently acquired new interests by staking or otherwise.

Since end of fiscal year the company sold buildings, plant and equipment from Cadillac property for $90,000. The property has been written down to $1.

Current assets were $98,364 and liabilities $43,717.

* * *

MALLEN RED LAKE GOLD MINES has provided a progress report covering operations in 1945. The No. 1 group, adjoining Starratt-Olsen, was drilled but results were inconclusive. Surface work and four drill holes were completed on No. 2 group which adjoins Cole Gold and Bayview Red Lake. Preliminary exploration was also done on groups 3, 4, 5, 6 and 7. Additional development is planned.

* * *

PARBEC MALARTIC GOLD MINES has received payment covering an additional 50,000 shares at 17½ cents. Issued capital—2,200,005 shares.

* * *

SIGMA MINI[illegible] (QUEBEC) reports bullion production of $147,829 from 23,254 tons milled, an average recovery of $6.36 gold per ton in February, $161,339 from 25,400 tons, average $6.35 previous month.

* * *

TRANSTERRA MINES reports purchase of a group of claims in Courageous-MacKay Lake area, N.W.T. Present plans are to start work on the new group, as well as to resume development of its Privat twp., Que., and Red Lake, Ont., properties.

* * *

TYPHOON YELLOWKNIFE MINES announces work starting on 10,000 ft. of drilling on property at Giauque Lake, Yellowknife district, N.W.T. Frederick Reid, President; T. J. Day vice-president; W. McKee, secretary-treasurer; D. Edwards, assistant secretary-treasurer; J. J. Coghlan, director.

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NEW APPOINTMENTS AT OUTBOARD, MARINE AND MANUFACTURING CO. OF CANADA LTD.

L. L. TREMBLAY — C. B. NEAL — H. WOOD

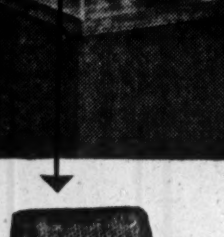
Hugh M. Campbell, President and General Manager of the Outboard, Marine and Manufacturing Company of Canada Ltd., Peterborough, announces the following appointments:

Vice-President in charge of Merchandising, L. L. Tremblay; Secretary-Treasurer and Assistant to the President, C. B. Neal; Vice-President in charge of Manufacturing, Hy Wood.

Mr. Tremblay joined the company in 1929. Combining his engineering knowledge and sales and merchandising experience, he later became Industrial Sales Manager for the Johnson Iron Horse and Johnson-Tremblay Fire Pumps. His new appointment as Vice-President in charge of Merchandising will enlarge his activity over the whole field of sales.

Mr. Neal was transferred to Peterborough in 1929 from the accounting department of the Johnson Motor Company in Waukegan. Later Mr. Neal became Assistant Secretary-Treasurer; then Secretary-Treasurer. Mr. Neal continues in the position of Secretary-Treasurer and with his new appointment as Assistant to the President.

Mr. Wood joined the Johnson Motor Company in 1928 as factory superintendent, later becoming Works Manager. Mr. Wood is exceptionally qualified for his new appointment. His technical and manufacturing knowledge will be reflected in the Precision-Built Johnson and Evinrude Outboard Motors of tomorrow.



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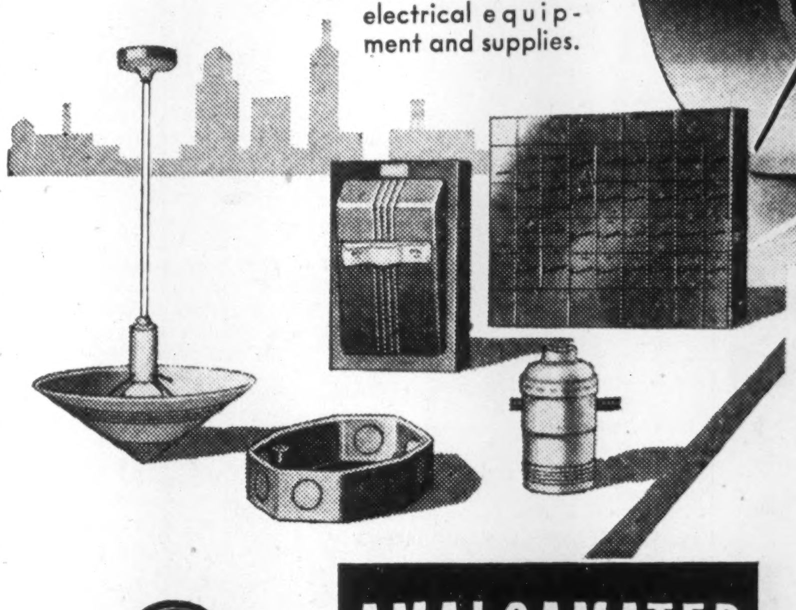

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OIL PRODUCTION

Spud Six New 'Wildcats' As Spring Work Begins

CALGARY—The spring 1946 oil and gas development program in Alberta got away with a good start this week with a string of six new wildcat and development wells staked, and with another gas strike for Imperial Oil which added an additional 10,000 acres to the Viking-Kinsella proven gas reserves. In Saskatchewan, the week brought successful completion of two more oil wells in the Lloydminster field.

The British American Oil Co. and the California-Standard Co. have joined forces for the testing of a seismograph - indicated Devonian dome in the Wardlow area, on the south Alberta plains. Site of the drilling is 12 miles north of Cal-Standard's Princess Devonian oil field, source of the plains' first Devonian production.

Initial well, B. A.-Cal-Wardlow-Province No. 78-23-22-12, has been staked in the northeast 10 acres of L.S.D. 13 23-22-12w4. Drilling contract has been let to the Regent Drilling Co., Vermilion, which is now moving in a new Cardwell rotary, good for 6,500 ft. drilling. Spudding is expected about April 1. The well is primarily a test of the indicated crest of a Devonian dome noted in a seismograph survey in 1945 by the Tucker Exploration Co. Possibilities will also be determined of the shallower formation (Bow Island, Basal Colorado, Sunburst, Chert and Madison, all of which are the source of oil and/or gas at one or more wells in the Princess area to the south. Likely depth of the new venture will be around 4,200 ft.

The well is located on a lease block of crown oil and gas rights totalling 19,973 acres covering the indicated structure. This block takes in a portion of the area covered by crown reservations acquired by B. A. and Standard in 1944, and worked over prior to their expiration. A new crown reservation covering 199,063 acres surrounding the lease block and extending some distance north and east has just been taken out in the name of Thomas Hicks, on behalf of the backers of the Wardlow venture. An additional 7,000-acre lease block is jointly held west of the reservation. The total of about 226,000 acres extends north from the Red Deer River between Rges. 9 and 14 to twp. 24.

* * *

Extend Kinsella Field

An indicated 10,000 acres or more has been added to the "proven area" of the Viking-Kinsella area gas reserves on the central Alberta plains by Imperial Oil's Kinsella No. 9 well, in L.S.D. 6 16-46-9w4. The well has completed drilling in the Viking sand at 2,080 ft., has drillstem tested with a large gas flow indicated, and has set 5½-in. casing to the top of the sand. Plug will be drilled and potential determined in the near future. The new extension success is seven miles south and two miles east of the Imperial-Kinsella No. 1 Discovery and five miles south and a mile west of the Imperial-Kinsella No. 6 success, until now the most southerly gas wells in the field.

* * *

S.A.C. 3 Well Produces

S. A. C. Oils has placed its No. 3 well on steady production and has completed drilling at its No. 4 with indications favorable, according to word from Lloyd Clinch. Both wells are on the Saskatchewan side of the Lloydminster oil field. S. A. C. No. 3, in the SW 10 acres of L.S.D. 13 2-49-28w3, was placed on pump March 9, with flush yield of 55 to 60 bbls. of oil daily, according to Mr. Clinch. The well was completed at 1,880 ft. in the top of the Lloydminster (lower cretaceous) sand. S. A. C. No. 4, NE 10 acres of L.S.D. 16 3-49-28w3, completed drilling March 9 at 1,876 ft., has set casing to the oil sand at 1,872 ft. The well is reported high structurally and from the "excellent electrolog and showings in the ditch" should make a good well.

Mica Co. Sees Higher Output

Large Demand Envisaged for New Element Developed Recently

A new mica product developed by Mica Co. of Canada with wide applications, is expected to bring a marked increase in sales, The Financial Post is informed.

The new product, a high heat binder plate, permits production of open elements for toasters and other electrical equipment at a much lower cost than elements made out of more expensive mica. Officials expect a considerable market to develop in the United States. The new product is stated to be definitely proven from the standpoint of performance.

Several specific projects for other new mica products are now being worked on, with an apparent good chance of success, it is reported.

Mica Co. of Canada has undertaken the production and/or marketing of a wide range of other products. A subsidiary, Canadian Anodized Products, is anodizing aluminum and aluminum alloys in a wide range of colors for the building trades, jewellery and novelty trades, etc.

Universal Insulations was recently formed as another subsidiary of Mica Co. of Canada to be the manufacturing and distributive outlet of a general line of electrical insulation products.

Mica Co. is further processing insulating varnishes and resins received from Schenectady Varnish Co., distributing the finished product to the Canadian trade. Products include Alkyd resins and solutions, and phenolic resins.

Other products being distributed include insulating sleeving and tubing of Varflex Corp., steatite insulaters turned out by General Ceramics and Steatite Corp., and resistance wire of C. O. Jelliff Manufacturing Corp.

Treadwell Yukon Near A Final Distribution

A final distribution is expected to be made to shareholderes of Treadwell Yukon Mines Corp. within a few months, following sale of the Wrenecke Mines in the Yukon to Canadian interests.

D. L. Feathers, secretary, reports that the Wrenecke option was exercised Jan. 2, consideration being $75,000 cash (Canadian funds) and 750,000 shares of the newly organized Keno Hill Mining Co.

North Inca Cuts Several Ore Sections In Holes on a New Zone at Indin Lake

A new zone returning much better values than previously secured has been located in diamond drilling by North Inca Mines lying between its indicated A and C ore zones, President W. J. McDonough informs The Financial Post.

Initial drilling had been concentrated on the north-south striking A zone, which is about 400 ft. east of and parallel to the C zone, the surface exposure on the A being about 600 ft. south of that on the C.

After initial hole A-1 had been put down on the A zone, returning $26.18 (at $38.50 gold) over 4.6 ft. and A-2, 50 ft. to the north, had given $14.24 over 4.4 ft. and $18.87 over 1.4 ft. at shallow horizons, a deeper hole, A-4, was put down below A-2 in the same vertical plane, returning $72.77 over 2 ft. and $6.93 over 3.0 ft. The latter assay started at footage 186.0— right at the bottom of the hole—and was the first indication of the new zone lying between the A and C.

Sixth Hole Checked

Hole A-5, drilled 50 ft. north of A-2, gave three sections carrying lower values: $3.85 over 2.0 ft.; $6.93 over 2.0 ft.; and $8.86 over 1.5 ft.

Hole A-6 was then drilled 60 ft. north of A-5 and really "clicked," returning a number of ore intersections in the new zone, values extending from footage 119.0 to 256.0. Weighted average values for this particular hole are as follows:

Footage:	Core Length ft.	Value oz.	Value* $
119.0 to 120.0	1.0	1.43	55.06
135.0 to 140.3	5.3	0.42	16.17
154.0 to 156.0	2.0	0.23	8.86
234.0 to 249.0	15.0	0.31	11.94
253.0 to 255.0	2.0	0.53	20.41
255.0 to 256.0	1.0	0.10	3.85

*At $38.50 gold.

Following drilling of hole No. 6, A-7 was drilled in the same plane as A-6 and below it, the hole being terminated at 420 ft. depth. Values are reported comparable to those in hole A-6, but full information on the hole is not being released until correlation of all samples has been completed and assays returns have been secured for values in the bottom of the hole.

Drill hole A-8, collared approximately 50 ft. north of hole A-6 is now being drilled, to be followed by hole A-9, which will be in the same plane as A-8 and to the north of A-7. Drill hole A-3 was put down to the south of A-1, only a few hundred feet from the Inca fault and no values of importance were obtained.

A well-sheared Zone

The wide zone of values secured in A-6 and A-7 holes consists of a wide well-sheared siliceous zone in agglomerate. Considerable free gold has been observed in the core sections at the various points and it is not yet known if the values are solely confined to those vein sections carrying free gold, or if the sulphides, arsenopyrites, pyrrhotite and pyrite are also controlling factors in connection with the values.

A second drill is now on the property and will be in operation at the end of this week. The location of this drill will be some quarter of a mile to the south of the A zone and separated by the Inca fault, which, it is thought displaced the favorable zone about one quarter of a mile. Since the Inca fault is thought to be later than the ore there is some reason to expect that the favorable zone will continue south of the Inca fault.

The company has received all its supplies for one year by tractor train from Grimshaw and sufficient fuel and commissariat will be available to complete a very extensive program of diamond drilling.

Dr. A. P. Beavan, district manager for Trans-American in the Northwest Territories, is supervising the program of exploration on the North Inca ground, under the general direction of L. R. Simard, consulting geologist for Trans-American Mining Corp.

1,805,006 Shares Out

Authorized capital is three million shares of which 1,805,006 shares are issued. A further 245,000 shares are under option at 30 cents and 450,000 shares are under option at 45 cents a share. There is $150,000 cash in the treasury with a year's supplies paid for and exercise of options will provide a further $276,000. A block of approximately 500,000 shares remains in the treasury which are not under option which can be used for financing provision of production facilities if further result should warrant.

Richmac Nearing Its Indicated Ore

The long drive being put out from the 475-ft. level of Cochenour Willans Gold Mines to investigate an indicated occurrence of ore on the property of Richmac Gold Mines to the north has been delayed somewhat, but may reach its objective early in April, The Financial Post is informed.

The drive for a time was in bad ground and a flow of 150 gallons of water a minute was encountered. W. P. Mackle who is directing operations now reports as follows:

"I thought we might have to stop the drift and concrete it solid, which would have delayed us further; but we bullied it through and we are now in solid ground. Geology is good, and this is nice to see as we get close to the Richmac line."

MINING CONCENTRATES

BROWN BOUSQUET MINES has let a contract for an additional 5,000 ft. of diamond drilling. Hole 23 has reached 180 ft., on way to 500 ft.

* * *

BAYVIEW RED LAKE GOLD MINES has unwatered 500-ft. shaft to below 125-ft. level. On completion, sinking will be carried to 1,000 ft.

* * *

HEDLEY AMALGAMATED GOLD MINES is asking shareholders to increase authorized capital and to arrange further financing to defray costs of proposed development. Plans are to install a plant and to open No. 2 level to surface, by means of a 300-ft. drift. A surface geological survey is also planned.

* * *

LOUVICOURT GOLDFIELD CORP. says 4-compartment shaft has reached 85 ft. and at present rate of sinking, drifting in ore zone on 175-ft. level should be under way early in May.

* * *

PINNACLE GOLD MINES expects drill to arrive at property soon, when work will start in testing surface showings made recently on Vaughan property, Bryce twp., Ont.

* * *

SILVER MILLER MINES plans to dewater shaft and prepare for underground development on 213 acres in Coleman twp., Cobalt area, Ont.

* * *

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Periodically we issue bulletins giving useful information to ocean marine shippers; and it would be to your advantage to ask your Insurance Agent or Broker to secure for you copies of these bulletins from time to time. May we also suggest that you have your Broker or Agent negotiate with us promptly in regard to your export or import insurance requirements.

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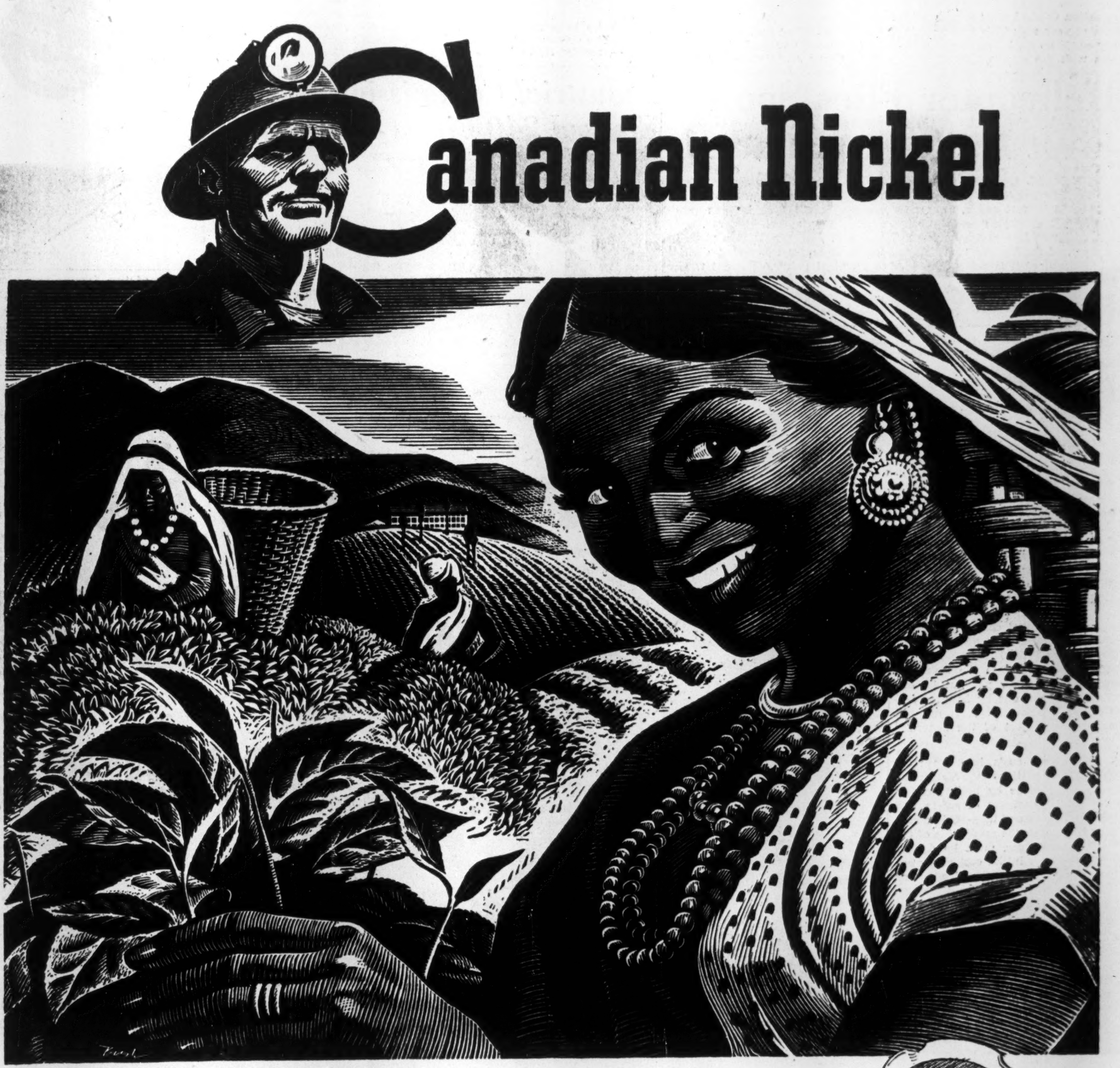
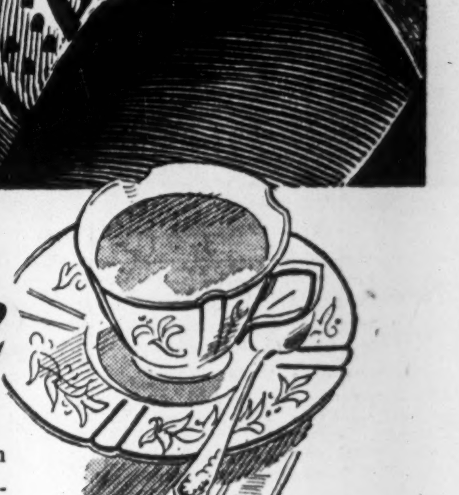
E-4

Canadian Nickel



brings Tea to your Table



CANADA produces no tea; India produces no Nickel. So Canada imports tea from India; India imports Canadian Nickel and articles containing Canadian Nickel.

Less than three per cent of the Nickel produced in Canada is consumed in Canada. The rest is exported, and the money received helps to pay for tea and other products necessary to good living in Canada. Canada cannot keep on importing from other lands unless Canadian goods are exported.

Also, we must continue to export Canadian Nickel if we are to continue to employ thousands of Canadians in the Nickel mines, smelters and refineries, and other thousands who produce the lumber, power, steel, machinery and supplies used by the Canadian Nickel industry.

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Expect Ottawa to Draft Formula To Allocate Building Materials

— Storm Breaks Over Unbridled Building
— Corps Assn. Insists Vets Come First
— Six of Bridge Dollars Go to Engineer

Clamor has risen within, as well as outside the building industry for an official ban on "luxury" building and an effective green light to housing and industrial projects. Ottawa, thus challenged, soon may reverse its year-end decision on construction project decontrol, soon may announce new allocation formula and machinery to channel scarce brick and bricklayers, nails and carpenters, soil pipe and plumbers, into new housing for veterans, and into industrial or commercial expansion promising to employ veterans.

Involved may be a partial restoration of powers recently stripped from Supply and Labor administrations.

But that quandary isn't alone responsible for recent indecision on the question of how to speed building production; there is the equally contentious problem of which category of building to favor at the expense of the rest.

Not simple enough to be answered over luncheon coffee is the question of an allocation percentage basis, embodying an agreed division of anticipated supply among claimant types and purposes of residential and general building. Such an overall guide for rationing will be the first need of officials given authority to allocate supplies and to screen projects.

Then come new standards of essentiality—related to postwar conditions—covering low-cost versus "luxury" dwellings, replacement of a burned school or hospital versus a deferrable new one, a job-creating factory versus a church addition.

And, finally, there may be needed in the Dept. of Reconstruction some kind of project screening machinery comparable with the licensing system abandoned when DMS Construction Control went out the window at year end. This new machinery could be contrived in co-operation with the construction industry itself—basis for team play here already exists in the Canadian Construction Association liaison committee headed by Robert Drummond, which occupies an office in the department and currently is advising Mr. Howe on building materials production speedup and allocation policy.

* * *

How Much

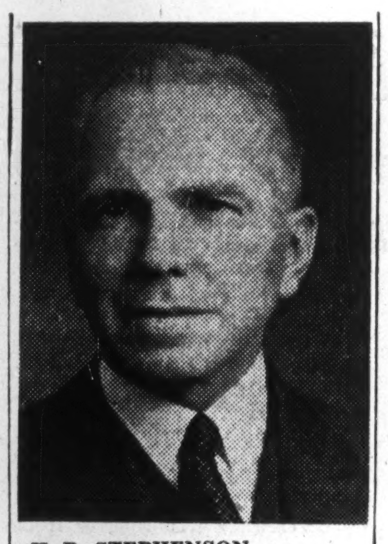
it costs to design and supervise a big bridge building job is explained to the layman in a quotation based on standard charges of the civil and structural engineering profession and tabled at a recent meeting of the Toronto & York Roads Commission. The commission authorized James, Proctor & Redfern Ltd. to prepare plans and specifications for a $750,000 bridge link with the new Sunnybrook veterans' hospital. The charge: $27,000 or 3.6% of total estimated cost. For job supervision the firm's additional charge would be $18,000 or 2.4%, a total of $45,000 or 6%.

* * *

Canadian Corps

Association apparently is aware that the Government faces conflicting claims in contriving a fair percentage allocation for building materials and labor. The Corps asks that this question be decided at ministerial level; that the formula be flexible enough to conform with expected gradual easing of the housing shortage. But the association is unequivocal in demanding assurance of an overriding supply priority to veterans' housing, whether for ownership — in projects individually sponsored and financed, or through National Housing Act or Veterans' Land Act—or for rental tenancy in accommodation being provided by Wartime Housing Ltd. and Housing Enterprises of Canada Ltd.

The Corps Association last week (Construction Trends, March 16) advanced several other new proposals on housing, some of which may be discussed by the Commons committee on veterans' affairs. Not included in the association's brief of last summer are these: That provincial governments make special grants to municipalities to help meet excess costs of educational and other services to Wartime Housing tenants; that the Dominion Government not only amend the Veterans' Land Act "small holdings" section to provide for building on urban lots of owner's choice, but also amend the National Housing Act, or its regulations, to provide a larger government allowance for loss and thus enable the lending institutions to agree to higher property valuation and lower down payment.



H. R. STEPHENSON

elected vice-president and managing director of the Crown Life Insurance Co. He was formerly general manager.

Government Industry Branch Brings Ontario New Business

Six new industries have been established in Ontario, and 33 more are pending settlement as a direct result of the promotion activities of the year-old Trade & Industry branch of Hon. Dana Porter's Ministry of Planning and Development, the branch reports.

Although the department is officially designated as having advisory authority only, Director C. H. McL. Burns has endeavored to render to all municipalities in the province, many of the services usually performed by local industrial commissions.

Relatively few Ontario municipalities have fullfledged industrial commissioners; some have committees of councillors or town clerks handling industrial enquiries; the majority have no efficient organization or officer seeking to boost the community's industrial status. Of more than 900 municipalities circularized by the T & I office for permanent file information, only about 30 replied. As a result, T & I files have had to be built up painstakingly by individual research.

Out of its voluminous correspondence — nearly 10,000 letters since March 25, 1945—Director Burns' office has run up this score: 88 enquiries from U. S. firms interested in establishing plants or manufacturing arrangements; 266 queries through Ontario House, London, from British firms wishing sales or manufacturing arrangements; 19 enquiries from nine other foreign nations; 150 applications for manufacturers' agencies (16 pending now); a total of 2,500 clients dealt with.

One new industry, established as a fruit of T & I idea development is Globe Plywood Ltd., Collingwood. Employing more than 1,500 persons, Globe is reported to have guaranteed orders for furniture, in excess of $1 million and others pending. Thought behind the project was to absorb war-expanded industrial capacity in the area by developing a product for export.

The branch is now preparing an industrial brochure, aimed at top executives of extra-provincial financial and industrial corporations, bringing to them vital statistics on the Canadian export and domestic market. Basic emphasis is, naturally, on the strategic position of Ontario in this market.

Industrial Commission Has Steered 240 Firms to Toronto

Biggest year in its history is reported by the Toronto Industrial Commission for 1945. Despite cancellation of war contracts, shortages of materials and other problems, a survey of 240 industries established in co-operation with the Commission shows an increase in capital invested from $24,568,000 to $29,369,000, an extension of floor space from 4,021,000 to 4,806,000 sq. ft.

Twenty-four manufacturing developments moved into the Toronto area during 1945, the Commission reports. Of these, nine are new Canadian industries, 10 are Canadian subsidiaries of U. S. companies, two represent English industries, and three are subsidiaries of Canadian companies.

Sales of industrial sites more than doubled 1944's 112 acres, reaching 246 acres. Investigation of this increase has not revealed that it represents speculative buying, President John A. Tory adds.

"The tendency in factories today is to have more land, greater facilities for light, and one-story plants," Mr. Tory said. "When building materials and labor are more readily available, there will be a tremendous impetus to the building of factories in this area."

Parts of two former war plants, representing 500,000 sq. ft. of floor space, have been made available for multiple-tenancy in an effort to overcome the industrial housing shortage. These plants have absorbed 25 companies, employing 2,800 persons.

In a record-making number of enquiries, the TIC sees great promise, "if our channels are cleared for export trade, and local factory space can be made available."

Helicopter Flies Soon First Built in Canada

MONTREAL (Staff) — Work on the first helicopter to be built in Canada is in full swing, and it is hoped that it will be ready for its test flight in late spring, probably in May. Labelled the "S.G. Mark VI Helicopter" it is being built for Intercity Airlines Co., Montreal, at the plant of Engineering Products of Can. Ltd. Intercity plans passenger and express service in the St. Lawrence River Valley, linking intermediate points between Cornwall, Lake Tremblant, Grand'Mere, Quebec City, Thetford Mines and Sherbrooke.

Before application can be made to Ottawa for operating rights, the company must have its aircraft in operation. Acquiring operating rights, however, is only half the problem. Still before company officials is the question of whether helicopter service will pay and if it will come up to expectations.

Some sceptics point to the more than $60,000 cost of the recently built Sikorsky helicopter in the U. S. as proof that cost of construction makes helicopters impractical for freight or passenger service. Consensus is that cost of the Canadian-built helicopter must be kept around the $10,000 mark. Whether this is possible even the manufacturers don't know yet but its design, based on one by Sznycer and Gottlieb of New York, is not the ambitious project of the Sikorsky model.

Tentative thrusts into the mail, passenger and light express service have been made by helicopters in the U. S. Features of safety and ability to land and take-off in a confined space, on the credit side of the helicopter ledger, must be debited with the high initial cost of a comparatively small pay load. The Canadian S. G. helicopter will carry three persons including the pilot plus an extra load of 100 pounds. Helicopter pilots also must be specially trained.

A big question is, what service can helicopters give, which other methods of transportation cannot supply? For passenger service, helicopters come into their own in serving areas which lack roads and rails and where other types of planes cannot land. As far as interurban transportation is concerned, many travel experts think passenger loads on helicopters will have to be increased before they become practical. They agree, however, that they will probably have a place in feeder lines from outlying district to terminal points. Present traffic congestion in the larger cities has also started some talk of helicopters being used to pick up bus passengers at the outskirts and deliver them at various points in the metropolitan area.

See Color Film Sold Here Soon

Purchase of a 16-acre plant site by Ansco of Canada Ltd. on the Queen Elizabeth highway west of Toronto, is seen as a Canadian offshoot of the parent company's $10 million expansion program in the United States. The U. S. program of General Aniline & Film Corp. includes erection of a power plant, warehouse, and a Chicago office building, as well as purchase of a Los Angeles office building.

Plans have not yet been completed for the first building on this new Canadian site, but it is understood accommodation will be provided for office, shipping, receiving and stockroom, and facilities for processing color roll film.

Associated Screen News Ltd., Toronto, is being equipped to process 16 mm. colored movie film for Ansco; and by May 1 it is expected to be ready to handle Canadian demand. Retail sale of 16 mm. film will start then.

NORTHERN TRANSPORTATION CO. has placed orders in British Columbia for 15 steel barges and two tugboats, for use in Eldorado's radium and uranium mining operations at Great Bear Lake. Valued at over $250,000, the orders went to West Coast Shipbuilders Ltd., Vancouver (11 barges and one tug), Yarrows Ltd., Victoria (four barges and one tug), and Vivian Engine Works Ltd., Vancouver (four engines). The vessels will be shipped by rail in knockdown form.

business "neighborhood" in 194X

Roof areas promise to be busy traffic spots in the business neighborhoods of the future. In this plan by two prominent architects, roof areas of individual office buildings are laid out as complementary units just as the ground areas of a city are laid out into business, residential and recreational districts. On the tallest structure is placed a sub-post office, where fast mail helicopter planes may land. Another roof accommodates a garden restaurant, and a third features midday recreational facilities for the neighborhood—all served by express elevators. Thus are utilized hitherto wasted roof areas for useful purposes and the commercial value of the property is enhanced.

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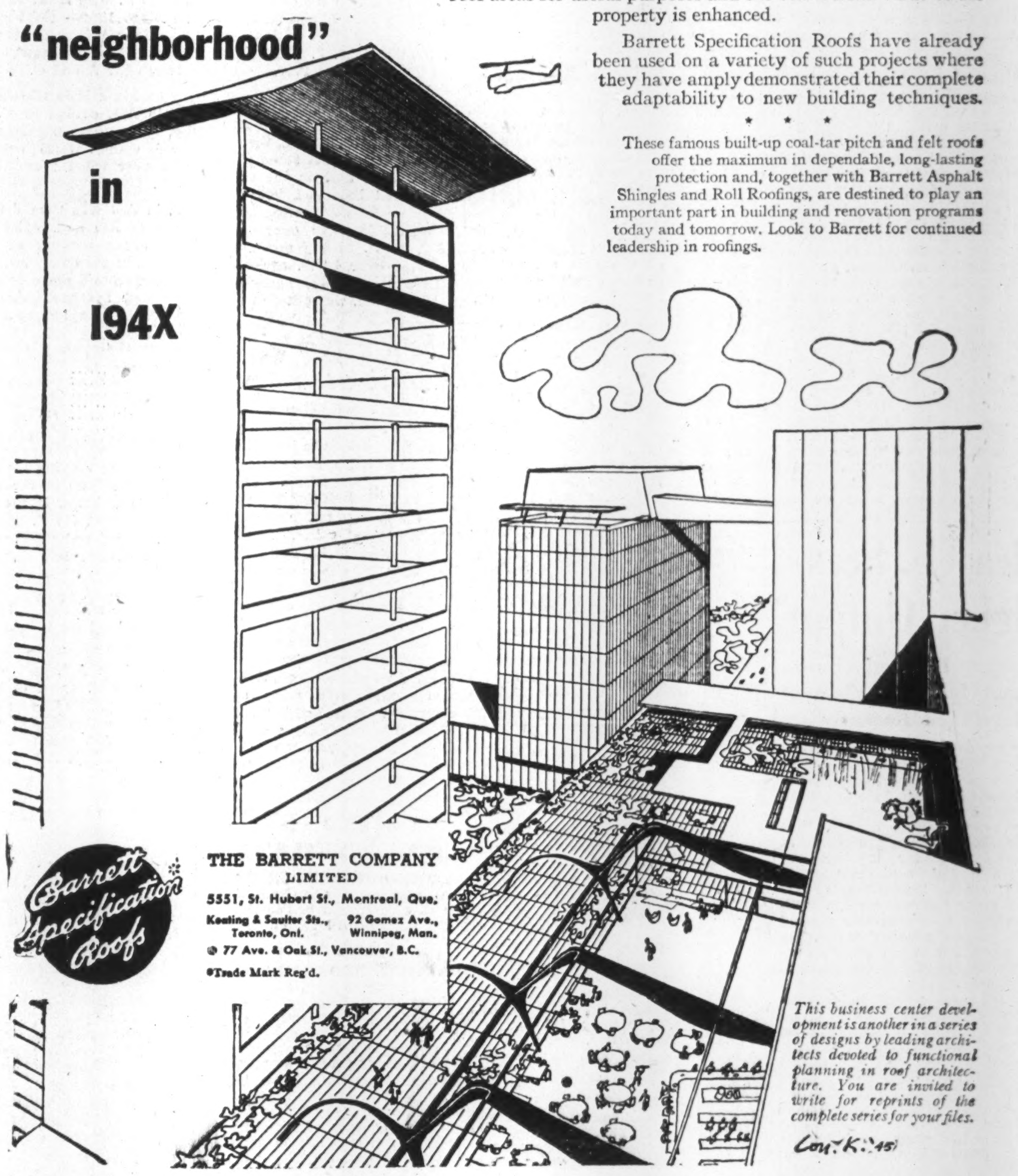

This business center development is another in a series of designs by leading architects devoted to functional planning in roof architecture. You are invited to write for reprints of the complete series for your files.

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